

	<u>EXHIBIT "A" TO INITIAL REGISTRATION OF STATEMENT OF RECORD WORK FLOW</u>
Important Note:	Below highlights each item the developer is to submit and a CFPB Examiner may check each in order to ensure a proper filing of the Initial Statement of Record. The Initial Statement of Record is made up of two sections: The Property Report section and the Additional Information and Documentation (AID) section. A CFPB examiner must make sure no Regulations have been violated with regard to the Property Report section and with regard to the AID section. Basically, a CFPB Examiner must go through each of the items below to ensure compliance with the Regulations. Everything that is bolded, underlined and in italics are our remarks and not specifically found in the actual Regulations. These remarks were added to help you better understand how we use the Regulations to check for compliance during the review process.
Link to Statute	A direct link to the Statute can be found at: http://www.gpo.gov/fdsys/pkg/USCODE-2010-title15/pdf/USCODE-2010-title15-chap42.pdf
Link to Regulations	A direct link to the Regulations can be found at: http://www.gpo.gov/fdsys/pkg/FR-2011-12-21/pdf/2011-31713.pdf
Regulation Reference	Language of Regulation
1010.22 INITIAL STATEMENT OF RECORD	<p><u>At this point we determine if developer is required to register and the amount of the registration fee.</u></p> <p>(a) Initial Statement of Record. (1) Except in the case of exempt transactions, an initial Statement of Record shall be filed, and an effective date issued, prior to selling or leasing any lot in a subdivision. (2) If a developer buys from another developer 100 or more lots from an existing registration, the new developer, or owner, may have to submit a new initial Statement of Record and receive an effective date covering the acquired lots prior to selling or leasing any of those lots. (3) Changes in principals due to a sale of stock in a corporation or changes in partners or joint ventures which are accomplished in accordance with the partnership or joint venture agreement but which do not cause a change in the title to the land in the subdivision may be submitted as an amendment. (4) Any initial Statement of Record must be accompanied by a fee, as specified in § 1010.35(b), based upon the number of lots sought to be registered.</p> <p>(e) Initial Statement of Record—when prior approval to submit is required. In those subdivisions where there is a disparity between the lots already registered and those sought to be registered because of location, terrain, proposed use of the lots or the amenities to be furnished or available, the developer may present a resume of the differences and request the Director’s permission to file a separate initial Statement of Record for the additional lots. Upon consideration of the facts submitted, the Director may allow such a procedure.</p>
1010.100	<p><u>At this point we check to see if Developer submitted a Property Report and an AID section.</u></p> <p>(a) The Statement of Record consists of two portions; the Property Report portion and the Additional Information and Documentation portion.</p>
1010.100 1010 Appendix VIII	<p>(b) General format. The Statement of Record shall be prepared in accordance with the format set forth in section VIII of the appendix <u>(Click link to Regulations to view section VIII of the appendix)</u></p>

1010.103	<p><u>Here, CFPB checks to see if Developer properly outlined when facilities will be completed or properly made required disclosures. CFPB also checks to make sure that all parties responsible for completing any facilities are clearly identified in the Property Report .</u></p> <p>(a) If the developer represents either orally or in writing that it will provide or complete roads or facilities for water, sewer, gas, electricity or recreational amenities, it must be contractually obligated to do so (see § 1011.15(f)), and the obligation shall be clearly stated in the Property Report. While the developer may disclose relevant facts about completion, the obligation to complete cannot be conditioned, other than as provided for in § 1011.15(f), and an estimated completion date (month and year) must be stated in the Property Report. However, a developer that has only tentative plans to complete may so state in the Property Report, provided that the statement clearly identifies conditions to which the completion of the facilities are subject and states that there are no guarantees the facilities will be completed. (b) If a party other than the developer is responsible for providing or completing roads or facilities for water, sewer, gas, electricity or recreational amenities, that entity shall be clearly identified in the Property Report under the categories described in § 1010.110, § 1010.111 or § 1010.114, as applicable. A statement shall be included in the proper section of the Property Report that the developer is not responsible for providing or completing the facility or amenity and can give no assurance that it will be completed or available for use.</p>
	REQUIREMENTS FOR THE PROPERTY REPORT SECTION OF THE INITIAL STATEMENT OF RECORD
1010.105(a).	The cover page of the Property Report shall be prepared in accordance with the following directions The margins shall be at least 1 inch. <u>A CFPB Examiner will check to make sure the margins contained in the Property Report are at least 1 inch.</u>
1010.105(b) and 1010 Appendix X	The next 3 inches shall contain a warning, centered, in 1/2 inch capital letters in red type with 1/4 inch space between the lines which reads as follows: “ READ THIS PROPERTY REPORT BEFORE SIGNING ANYTHING ”.
1010.105(c) and 1010 Appendix X	<p>The remainder of the page shall contain the language set forth in section X of the appendix to this part: Language for Warning on Cover Page of Property Report beginning 1/4-inch below the last line of the warning. <i>This Report is prepared and issued by the developer of this subdivision. It is not prepared or issued by the Federal Government. Federal law requires that you receive this Report prior to your signing a contract or agreement to buy or lease a lot in this subdivision. However, NO FEDERAL AGENCY HAS JUDGED THE MERITS OR VALUE, IF ANY, OF THIS PROPERTY. If you received this Report prior to signing a contract or agreement, you may cancel your contract or agreement by giving notice to the seller any time before following the signing of the contract or midnight of the seventh day agreement. If you did not receive this Report before you signed a contract or agreement, you may cancel the contract or agreement any time within two years from the date of signing.</i></p> <p><i>Name of Subdivision</i> <i>Name of Developer</i> <i>Date of this Report</i></p> <p><u>A CFPB Examiner will check to make sure all of the above is correctly listed on the cover page of the Property Report.</u></p>
1010.105(d)(1)	If the purchaser is entitled to a longer revocation period by operation of state law, that period becomes the Federal revocation period and the Cover Page must reflect the requirements of the longer period, rather than the seven days.
1010.105(d)(2)(i)	If a deed is not delivered within 180 days of the signing of the contract or agreement of sale or unless certain provisions are included in the contractor agreement, the purchaser is entitled to cancel the contract within two years from the date of signing the contract or agreement.
1010.105(d)(2)(i)	<p><u>As a suggestion, we would like our new system to make this a question that the Developer must respond to with either a "yes" or "no." Based upon their response, the required verbiage will automatically be inserted in the correct section of the Property Report.</u></p> <p>The Smart Program is to ask Is the Deed Delivered within 180 days of the signing of the contract by the purchaser</p>

1010.105(d)(2)(i)	The deed must be a warranty deed, or where such a deed is not commonly used, a similar deed legally acceptable in the jurisdiction where the lot is located. The deed must be free and clear of liens and encumbrances. <u>Here, the Regulations state what type of deeds must be stated in the Property Report in order to convey legal title to the buyer. Also, a copy of the deed will be uploaded as part of the AID section of the Initial Statement of Record.</u>
1010.105(d)(2)(i)	The contract provisions are: (A) A legally sufficient and recordable lot description; and <u>The provisions in the deed must include a legal description.</u>
1010.105(d)(2)(i)	(B) A provision that the seller will give the purchaser written notification of purchaser's default or breach of contract and the opportunity to have at least 20 days from the receipt of notice to correct the default or breach; and <u>The deed must also include a notification of the purchaser's default in writing.</u>
1010.105(d)(2)(i)	(C) A provision that, if the purchaser loses rights and interest in the lot because of the purchaser's default or breach of contract after 15% of the purchase price, exclusive of interest, has been paid, the seller shall refund to the purchaser any amount which remains from the payments made after subtracting 15% of the purchase price, exclusive of interest, or the amount of the seller's actual damages, whichever is the greater. <u>Regulations also require this provision to be included in the deed.</u>
1010.105(d)(2)(i)	If a deed is not delivered within 180 days of the signing of the contract or if the necessary provisions are not included in the contract, the following statement shall be used in place of any other rescission language: "Under Federal law you may cancel your contract or agreement of sale any time within two years from the date of signing." <u>This would be the response automatically entered into the Property Report by the Smart Program if the developer had selected "no" in responding to the deed being delivered within 180 days of the seller signing the contract. (Look at 1010.105(d)(2)(i) above)</u>
1010.105(e)	At the time of submission, the developer may indicate its intention to comply with the red printing by an illustration or by a statement to that effect. <u>The warning on the cover page of the Property Report must be in red, but a developer is not required to send a color copy of his Initial Statement of Record to CFPB for every review so long as the developers states that he will put the warning in red when given to a buyer. Also, the Final Printed Version of the Property Report must be submitted in the exact same condition the developer will provide to buyers.</u>
1010.105(f)	<u>With this paper based process, a lot of developers put the last date they made corrections in this section instead of leaving it blank and waiting for CFPB to give them an effective date to put in the blank space after initial review. We want the Smart System to not allow Developers to enter a date here, but rather the date be automatically entered once the Property Report is deemed to be acceptable according to compliance with the Regulations.</u> The "Date of This Report" shall be the date on which the Director allows the Statement of Record to become effective and shall not be entered until the submission has become effective.
1010.106(a)	Table of Contents--- <u>Generated by Smart System after filling in of all answers in the format outlined under 1010 Appendix XI.</u>
1010.106(b)	(b) Use of "You" and "We." At the end of the Table of Contents insert the following remark: "In this Property Report, the words "you" and "your" refer to the buyer. The words "we," "us" and "our" refer to the developer." <u>This comment must be printed at the end of the Table of Contents.</u>

1010.107(a) and 1010 Appendix XII	<p><u>Next, CFPB will check to make sure the order in the Table of Contents is followed throughout the Property Report.</u></p> <p>The next page shall be headed “Risks of Buying Land” and shall contain the paragraphs listed in section XII of the appendix to this part: Required Paragraphs for Risks of Buying Land. 1010 Appendix Section XII. Required Language for Risks of Buying Land—§1010.107(a) (1) <i>The future value of any land is uncertain and dependent upon many factors. DO NOT expect all land to increase in value. (2) Any value which your lot may have will be affected if the roads, utilities and all proposed improvements are not completed. This paragraph may be omitted if all improvements have been completed or if no improvements are proposed. (3) Resale of your lot may be difficult or impossible, since you may face the competition of our own sales program and local real estate brokers may not be interested in listing your lot. (4) Any subdivision will have an impact on the surrounding environment. Whether or not the impact is adverse and the degree of impact, will depend on the location, size, planning and extent of development. Subdivisions which adversely affect the environment may cause governmental agencies to impose restrictions on the use of the land. Changes in plant and animal life, air and water quality and noise levels may affect your use and enjoyment of your lot and your ability to sell it. (5) In the purchase of real estate, many technical requirements must be met to assure that you receive proper title. Since this purchase involves a major expenditure of money, it is recommended that you seek professional advice before you obligate yourself.</i></p> <p>(a) The next page shall be headed “Risks of Buying Land” and shall contain the paragraphs listed in section XII of the appendix to this part: Required Paragraphs for Risks of Buying Land. 1010 Appendix Section XII. Required Language for Risks of Buying Land—§1010.107(a) (1) The future value of any land is uncertain and dependent upon many factors. DO NOT expect all land to increase in value. (2) Any value which your lot may have will be affected if the roads, utilities and all proposed improvements are not completed. This paragraph may be omitted if all improvements have been completed or if no improvements are proposed. (3) Resale of your lot may be difficult or impossible, since you may face the competition of our own sales program and local real estate brokers may not be interested in listing your lot. (4) Any subdivision will have an impact on the surrounding environment. Whether or not the impact is adverse and the degree of impact, will depend on the location, size, planning and extent of development. Subdivisions which adversely affect the environment may cause governmental agencies to impose restrictions on the use of the land. Changes in plant and animal life, air and water quality and noise levels may affect your use and enjoyment of your lot and your ability to sell it. (5) In the purchase of real estate, many technical requirements must be met to assure that you receive proper title. Since this purchase involves a major expenditure of money, it is recommended that you seek professional advice before you obligate yourself.</p>
1010.107(b)	<p>Warnings. If the instructions of the Director require any warnings to be included in the Property Report portion, the following statement shall be added beneath the “Risks of Buying Land” under a heading “Warnings”: <i>“Throughout this Property Report there are specific warnings concerning the developer, the subdivision or individual lots. Be sure to read all warnings carefully before signing any contract or agreement.”</i> Both the heading, “Warnings,” and the statement shall be printed in capital letters and enclosed in a box.</p>
1010.108 and 1010.Appendix XIII	<p>Insert and complete the format set forth in section XIII of the appendix to this part: <i>‘This Report covers _____ lots located in _____ County, (_____ State). See Page _____ for a listing of these lots. It is estimated that this subdivision will eventually contain _____ lots.’ The developer of this subdivision is:</i></p> <p>_____</p> <p><i>(Developer’s Name)</i></p> <p>_____</p> <p><i>(Developer’s Address)</i></p> <p>_____</p> <p><i>(Developer’s telephone number)</i></p> <p><i>“Answers to questions and information about this subdivision may be obtained by telephoning the developer at the number listed above.”</i></p> <p><u>This is an example of the format in which this information should be provided in the Property Report.</u></p>

1010.109(a)(1)	<p>Below the heading “Title to the Property and Land Use” insert the introductory paragraphs set forth in section XIV of the appendix to this part: Paragraphs to be included in the General Report—Title to the Property and Land Use. XIV. Paragraphs to be included in the General Report—Title to the Property and Land Use—§1010.109(a)(1) <i>“A person with legal title to property generally has the right to own, use and enjoy the property. A contract to buy a lot may give you possession but doesn’t give you legal title. You won’t have legal title until you receive a valid deed. A restriction or an encumbrance on your lot, or on the subdivision, could adversely affect your title.”</i></p> <p><i>“Here we will discuss the sales contract you will sign and the deed you will receive. We will also provide you with information about any land use restrictions and encumbrances, mortgages, or liens affecting your lot and some important facts about payments, recording, and title insurance.”</i></p>
1010.109(a)(1)	<p>Below the heading “Title to the Property and Land Use” insert the introductory paragraphs set forth in section XIV of the appendix to this part: Paragraphs to be included in the General Report—Title to the Property and Land Use. XIV. Paragraphs to be included in the General Report—Title to the Property and Land Use—§1010.109(a)(1) <i>“A person with legal title to property generally has the right to own, use and enjoy the property. A contract to buy a lot may give you possession but doesn’t give you legal title. You won’t have legal title until you receive a valid deed. A restriction or an encumbrance on your lot, or on the subdivision, could adversely affect your title.” “Here we will discuss the sales contract you will sign and the deed you will receive. We will also provide you with information about any land use restrictions and encumbrances, mortgages, or liens affecting your lot and some important facts about payments, recording, and title insurance.”</i></p>
1010.109(b)(1)(i)) 15 U.S.C. §1703(d)	<p>Will the buyer sign a purchase money or installment contract or similar instrument in connection with the purchase of the lot? When will a deed be delivered?</p> <p>Any contract or agreement which is for the sale or lease of a lot not exempt under section 1702 of this title and which does not provide—(1) a description of the lot which makes such lot clearly identifiable and which is in a form acceptable for recording by the appropriate public official responsible for maintaining land records in the jurisdiction in which the lot is located; (2) that, in the event of a default or breach of the contract or agreement by the purchaser or lessee, the seller or lessor (or successor thereof) will provide the purchaser or lessee with written notice of such default or breach and of the opportunity, which shall be given such purchaser or lessee, to remedy such default or breach within twenty days after the date of the receipt of such notice; and (3) that, if the purchaser or lessee loses rights and interest in the lot as a result of a default or breach of the contract or agreement which occurs after the purchaser or lessee has paid 15 per centum of the purchase price of the lot, excluding any interest owed under the contract or agreement, the seller or lessor (or successor thereof) shall refund to such purchaser or lessee any amount which remains after subtracting (A) 15 per centum of the purchase price of the lot, excluding any interest owed under the contract or agreement, or the amount of damages incurred by the seller or lessor (or successor thereof) as a result of such breach, whichever is greater, from (B) the amount paid by the purchaser or lessee with respect to the purchase price of the lot, excluding any interest paid under the contract or agreement, may be revoked at the option of the purchaser or lessee for two years from the date of the signing of such contract or agreement. This subsection shall not apply to the sale of a lot for which, within one hundred and eighty days after the signing of the sales contract, the purchaser receives a warranty deed (or, where such deed is not commonly used in the jurisdiction where the lot is located, a deed or grant that warrants at least that the grantor has not conveyed the lot to another person and that the lot is free from encumbrances made by the grantor or any other person claiming by, through, or under him or her).</p>
1010.109(b)(1)(i))	<p>When will a deed be delivered? See 1010.105(d)(2)(ii)</p>
1010.109(b)(1)(i) i)	<p><u>Possible imbed Screen to read "Is an installment contract being used. Radio Button Yes/No</u> If an installment contract is used, include the following, or substantially the same, language in the disclosure narrative under “Method of Sale”: “If you fail to make your payments required by the contract, you may lose your lot and all monies paid.”</p>
1010.109(b)(1)(i) ii)	<p><u>Possible imbed Screen to read is: Will there be seller financing at the time of the sale. Radio Button Yes/No</u> If, at the time of a credit sale, the developer gives the buyer a deed to the lot, what type of security must the buyer give the seller?</p>

1010.109(b)(1)(i) v)	<u>Possible imbed Question asking if the lots are to be sold on the basis of an installment contract. Yes or No button. If answer is No go to next section. If Yes need Yes or No Radio Button. Need to ask can the developer or the owner of the subdivision or their creditors encumber the lots under contract? If radio button is NO, the following would be the imbedded disclosure: The lots are to be sold on the basis of an installment contract. However, the developer or the owner of the subdivision or their creditors can not encumber the lots under contract. If Radio Button is YES</u> , include the following warning in the disclosure narrative under the caption “Sales contract and delivery of deed”: “The (indicate subdivision developer, owner, or their creditors) can place a mortgage on or encumber the lots in this subdivision after they are under contract. This may cause you to lose your lot and any monies paid on it.’
1010.102(b)(2)	What type of deed will be used to convey title to lots in the subdivision?
1010.102(b)(3)	<u>Possible imbed Question: Are Quitclaim deeds being used? Use Radio Buttons; If No go to next section</u> . If a quitclaim deed is to be given to lot purchasers insert the below warning, or a warning which is substantially the same, in the disclosure narrative below the caption “Quitclaim Deeds.” This particular warning may be deleted at the direction of the Director if an acceptable attorney’s opinion is submitted with the Statement of Record which indicates that a quitclaim deed has a meaning in the jurisdiction where the subdivision is located which is substantially contrary to the effect of this warning. This warning shall be phrased substantially as follows: “The Quitclaim deed used to transfer title to lots in this subdivision gives you no assurance of ownership of your lot.
1010.109(b)(4)	<u>Possible imbed question asking if oil, gas or mineral rights have been reserved. Radio Button No go to next section</u> . If oil, gas or mineral rights have been reserved, insert the following statement or one substantially the same in the narrative answer under the caption “oil, gas, and mineral rights”: “The (indicate oil, gas, or mineral rights) to (state which lots) in this subdivision will not belong to the purchaser of those lots. The exercise of these rights could affect the use, enjoyment and value of your lot.”
1010.109(c)(1)	§ 1010.109 (c) Encumbrances, mortgages and liens. (1) In general. State whether any of the lots or common facilities which serve the subdivision, other than recreation facilities, are subject to a blanket encumbrance, mortgage or lien. If yes, identify the type of encumbrance (e.g., deed of trust, mortgage, mechanics liens), the holder of the lien, and the lots covered by the lien. If any blanket encumbrance, mortgage, or lien is not current in accordance with its terms, so indicate. <u>The Regulations require the developer to make disclosures about any encumbrances on the property to be sold to a buyer.</u>
1010.109(c)(1)	In general. State whether any of the lots or common facilities which serve the subdivision, other than recreation facilities, are subject to a blanket encumbrance, mortgage or lien. If yes, identify the type of encumbrance (e.g., deed of trust, mortgage, mechanics liens), the holder of the lien, and the lots covered by the lien. If any blanket encumbrance, mortgage, or lien is not current in accordance with its terms, so indicate.

<p>1010.109(c)(2)(i)(A) and 1010 Appendix XV and XVI</p>	<p>(i) Explain the effect of any release provisions of any blanket encumbrance, mortgage or lien and include the one of the following statements that pertains. (A) If the release clauses are not included in a recorded instrument, insert the statement set forth in section XV of the appendix to this part: Statement on Release Provisions, or one substantially the same in the disclosure narrative below under the caption “Release Provisions.” XV. Statement on Release Provisions—§ 1010.109(c)(2)(i)(A) <i>“The release provisions for the (indicate all or particular lots) have not been recorded. Therefore, they may not be honored by subsequent holders of the mortgage. If they are not honored, you may not be able to obtain clear title to a lot covered by this mortgage until we have paid the mortgage in full, even if you have paid the full purchase price of the lot. If we should default on the mortgage prior to obtaining a release of your lot, you may lose your lot and all monies paid.”</i></p> <p>(B) If the developer or subdivision owner states that the release provisions are recorded and that the lot purchaser may pay the release price of the mortgage, the statement shall be supported by documentation supplied in § 1010.209. If the purchaser may pay the release fee, state the amount of the release fee and inform the purchaser that the amount may be in addition to the contract payments unless there is a bona fide trust or escrow arrangement in which the purchaser’s payments are set aside to pay the release price before any payments are made to the developer. (C)(1) If there are no provisions in the blanket encumbrance for release of an individual purchaser’s lot from a blanket encumbrance, include the warning set forth in section XVI of the appendix to this part: Warning for Release Provisions or a warning substantially the same, in the disclosure narrative under the “Release Provisions” caption.</p> <p>XVI. Warning for Release Provisions— § 1010.109(c)(2)(i)(C)(1) <i>“The (state type of encumbrance) on (indicate all or particular lots) in this subdivision does not contain any provisions for the release of an individual lot when the full purchase price of the lot has been paid. Therefore, if your lot is subject to this (state type of encumbrance), you may not be able to obtain clear title to your lot until we have paid the (state type of encumbrance) in full, even though you may have received a deed and paid the full purchase price of the lot. If we should default on the (state type of encumbrance) prior to obtaining a release, you may lose your lot and all monies paid.”</i></p> <p>(2) If the provisions for release of individual lots from the blanket encumbrance may be exercised only by the developer insert the following statement, or one substantially the same, in the disclosure narrative under the “Release Provisions” caption: <i>“The release provisions in the (state the type of encumbrance) on (indicate</i></p>
<p>1010.109(c)(2)(i)(B) and 1010 Appendix XV and XV</p>	<p>(B) If the developer or subdivision owner states that the release provisions are recorded and that the lot purchaser may pay the release price of the mortgage, the statement shall be supported by documentation supplied in § 1010.209. If the purchaser may pay the release fee, state the amount of the release fee and inform the purchaser that the amount may be in addition to the contract payments unless there is a bona fide trust or escrow arrangement in which the purchaser’s payments are set aside to pay the release price before any payments are made to the developer.</p>
<p>1010.109(c)(2)(i)(C) and 1010 Appendix XVI</p>	<p>(1) If there are no provisions in the blanket encumbrance for release of an individual purchaser’s lot from a blanket encumbrance, include the warning set forth in section XVI of the appendix to this part: Warning for Release Provisions or a warning substantially the same, in the disclosure narrative under the “Release Provisions” caption.</p> <p>XVI. Warning for Release Provisions— § 1010.109(c)(2)(i)(C)(1) <i>“The (state type of encumbrance) on (indicate all or particular lots) in this subdivision does not contain any provisions for the release of an individual lot when the full purchase price of the lot has been paid. Therefore, if your lot is subject to this (state type of encumbrance), you may not be able to obtain clear title to your lot until we have paid the (state type of encumbrance) in full, even though you may have received a deed and paid the full purchase price of the lot. If we should default on the (state type of encumbrance) prior to obtaining a release, you may lose your lot and all monies paid.”</i></p> <p>(2) If the provisions for release of individual lots from the blanket encumbrance may be exercised only by the developer insert the following statement, or one substantially the same, in the disclosure narrative under the “Release Provisions” caption: <i>“The release provisions in the (state the type of encumbrance) on (indicate all or particular lots) in this subdivision may be exercised only by us. Therefore, if we default on the (state type of encumbrance) before obtaining a release of your lot, you may lose your lot and any money you have paid for it.”</i></p>
<p>1010.109(d)(1)</p>	<p>(i) State what protection, if any, recording of deeds and contracts gives a lot purchaser in your jurisdiction.</p>

1010.109(d)(1)	(ii) If the sales contract or deed may be recorded, so state. Also state whose responsibility it is to record the contract or deed
1010.109(d)(1)	(iii) If the developer or subdivision owner will not have the sales contract officially acknowledged or if the applicable jurisdiction will not record sales contracts, state that sales contracts will not be recorded and why they will not be recorded.
1010.109(d)(1) and 1010 Appendix XVII	(iv) If at, or immediately after, the signing of a contract, the contract or a deed transfer to the buyer is not recorded by the developer or owner or if title to the lot is not otherwise transferred of record to a trust, or if other sufficient notice of transfer or sale is not placed of record, then the developer shall include the warning set forth in section XVII of the appendix to this part: Method and Purpose of Recording Warning, or substantially the same warning in the disclosure narrative under the caption "Method and Purpose of Recording." The reference to contracts shall be deleted from the above warning if the answer to paragraph (d)(1)(i) of this section indicates that recording of a contract in the subject jurisdiction does not protect the purchaser from claims of later purchasers or creditors of anyone having an interest in the land. XVII. Method and Purpose of Recording Warning—§1010.109(d)(1)(iv) "Unless your contract or deed is recorded you may lose your lot through the claims of subsequent purchasers or subsequent creditors of anyone having an interest in the land".
1010.109(d)(2)	If the developer does not deliver a title insurance policy to the buyer, state that the purchaser should obtain an attorney's opinion of title or a title insurance policy which will describe the rights of ownership which are being acquired in the lot. Recommend that an appropriate professional should interpret the opinion or policy.
1010.109(e)(1)	If purchasers' deposits, down payments, or installment payments are to be placed in a third party controlled escrow or similar account, describe the arrangement including the name and address of the escrow holder or similar person. If there is no such arrangement, insert the statement set forth in section XVIII of the appendix to this part: Escrow Statement. The questions regarding an escrow agreement or similar protection may be answered affirmatively only if the money is under the control of an independent third party, allowing a purchaser to receive a return of all money paid in the event of the developer's failure to convey title or the developer's default on any obligation which would otherwise result in the purchaser's loss of that money. XVIII. Escrow Statement—Disclosure § 1010.109(e)(1) " <i>You may lose your (indicate deposit, down payment and/or installment payments) on your lot if we fail to deliver legal title to you as called for in the contract, because (they are/it is) not held in an escrow account which fully protects you.</i> "
1010.109(e)(2)	Explain any prepayment penalties or privileges in everyday language.
1010.109(e)(3)	What are the developer's or subdivision owners' remedies against a defaulted purchaser?
1010.109(f)(1)	Restrictive covenants (i) Have any restrictive covenants been recorded against the land in the subdivision? If so, do they contain items which require the purchaser to secure permissions, approvals or take any other action prior to using or disposing of his lot (e.g., architectural control, developer's right of first refusal, building deadlines, etc.)? If any of these or similar items are included, explain their meaning and effect upon the purchaser. (ii) If any restrictive covenants are to be used and if they have not been recorded, how will they be imposed? Include a statement to the effect that the restrictive covenants have not been recorded; that there is no assurance they will be applied uniformly; that they may be changed and that they may be difficult to enforce. If no restrictive covenants will be imposed, include a statement to the effect that, since there are no restrictive covenants on the use of the lots, they may be used for purposes which could adversely affect the use and enjoyment of surrounding lots.(iii) If there are restrictive covenants, whether recorded or unrecorded, the following statement shall be made: " <i>A complete copy of these restrictions is available upon request .</i> "
1010.109(f)(2)	(i) Are there easements which may have an effect on the purchaser's building or lot use plans (e.g., large drainage easements along lot lines, high voltage electric transmission lines, pipe lines or drainage easements which encroach upon the building area of the lot or inhibit its use)? (ii) Is the subdivision subject to any type of flood control or flowage easements? (iii) If the answer to either (2)(i) or (2)(ii) is in the affirmative, identify the affected lots and state the effect upon the use of the lots.

1010.109(g)(1)	Plats (i) Have the subdivision plans and plats of specific units been approved by the regulatory authorities? If the approvals have not been obtained, include a warning to the effect that regulatory authorities have not approved the proposed plats; that they may require significant alterations before they will approve them and they may not allow the land to be used for the purpose for which it is being sold. (ii) Have plats covering the lots in this Report been recorded? If so, where are they recorded? If they have not been recorded, is the description of the lots given in this Report legally adequate for the conveyance of land in the jurisdiction where the subdivision is located? If it is not, include a statement to the effect that the description of the lots is not legally adequate for the conveyance of the lots and that it will not be until the plat is recorded.						
1010.109(g)(2)	Zoning. For what purpose may the lots be used (e.g., single family homes, camping, commercial)? Does this use conform to local zoning requirements and the restrictive covenants?						
1010.109(g)(3)	Surveying. Has each lot been surveyed and is each lot marked for identification? If not, and the purchaser is responsible for the expense, state the estimated cost.						
1010.109(g)(4)	Permits. Must the purchaser obtain a building permit before beginning construction on his lot? Where is the permit obtained? Are any other permits necessary to use the lot for the purpose for which it is sold or for construction in connection with its use?						
1010.109(g)(5)	Environment. Has there been any environmental impact study prepared which considers the effect of the subdivision on the environment? If a study has been prepared, summarize any adverse conclusions and refer the lot buyer to the proper State Clearinghouse for complete information. If a study has not been prepared, include a statement that “No determination has been made as to the possible adverse effects the subdivision may have upon the environment and surrounding area.” If the developer does not know whether an environmental impact study has been prepared, or the name and location of the Office where any study made can be found, inquiry should be made to the State or Area Clearinghouse established under the authority of title IV of the Intergovernmental Cooperation Act of 1968.						
1010.110(a) ROADS	(1) Is access to the subdivision provided by public or private roads? What type of surface do they have? How many lanes? What is the width of the wearing surface?						
1010.110(a)	(2) Who is responsible for their maintenance? What is the cost to the purchaser, if any? Are any improvements contemplated? If so, when will they begin and when will they be completed? At whose expense?						
1010.110(b)	(1) How have legal and physical access by conventional automobile been or will they be, provided to the lots (e.g., road on recorded easement; right of way dedicated to the public; right of way dedicated to use of lot owners)?						
1010.110(b)	(2) Who is responsible for the road construction? Is there any construction cost to the purchaser? Is there any financial assurance of completion? If there is no financial assurance of completion, enter a warning to the effect that no funds have been set aside in an escrow or trust account and there are no other financial arrangements to assure completion of the roads.						
1010.110(b) and 1010 Appendix XIX	(3) How many lanes do the interior roads have? What is the estimated starting date of construction (month and year); the present percentage of construction now complete; the present surface; the estimated completion date (month and year) and what is the final surface to be? If there are separate units or sections in the subdivision which will have different completion dates or different surfaces, the chart in section XIX of the appendix to this part: Road Chart shall be used rather than a narrative paragraph. <table><tr><td>Unit</td><td>Estimated starting date (month/year)</td><td>Percentage of construction now complete</td><td>Estimated completion date (month/year)</td><td>Present Surface</td><td>Final Surface</td></tr></table>	Unit	Estimated starting date (month/year)	Percentage of construction now complete	Estimated completion date (month/year)	Present Surface	Final Surface
Unit	Estimated starting date (month/year)	Percentage of construction now complete	Estimated completion date (month/year)	Present Surface	Final Surface		
1010.110(b)	(4) Who is responsible for road maintenance? If the roads are to be maintained by a public authority, a property owners’ association or some other entity at some time in the future, who is responsible for their maintenance during the interim period? What is the cost to the purchaser during the interim period and after acceptance for permanent maintenance? Will they be maintained so as to provide access to the lots on a year round basis? If not, include a warning which informs the purchaser that access may not be available year round. Identify the months when access may not be available to lots. If there are no arrangements for maintenance, include a warning to the effect that purchasers are responsible for maintaining the roads and that, if maintenance is not performed, the roads may soon deteriorate and access may become difficult or impossible.						

1010.110(b)	(5) If estimated completion dates given in prior Statements of Record have not been met, state that previous dates have not been met and give the previous dates. Underline the answer. If the roads are 100 percent completed, no dates are needed.
1010.110(b) 1010.Appendix XX	(6) Complete the chart in section XX of the appendix to this part: Nearby Communities Chart by listing the county seat (identify) and at least two nearby communities. Include at least one community of significant size which offers general services. Appendix XX Nearby Communities Population Distance Over Paved Roads Distance Over Unpaved Roads Total.
1010.110(b)	(7) If the purchasers will be individually responsible for providing access to their lots and for maintaining that access, what is the estimated cost of construction and maintenance?
1010.111(a)(1) UTILITIES WATER	§ 1010.111 Utilities (a)(1) How is water to be supplied to the individual lots (e.g., central system or individual wells)? Of the following items only those which apply to the subdivision need be included.
1010.111(a)(1)(i) WELLS	(A) If water is to be supplied by an individual private well, cistern or other individual system, what are the total estimated costs of the system, including but not limited to, the costs of installation, storage, any treatment facilities and other necessary equipment?
1010.111(a)(1)(i))	(B) If individual cisterns or similar storage tanks are to be used, state where water to fill them can be secured; the cost of the water, and its delivery costs for a supply sufficient to serve the monthly needs of a family of four living in a house on a year-round basis. Include a statement to the effect that water stored for extended periods tends to become stale and may acquire an unpleasant taste or odor.
1010.111(a)(1)(i))	(C) If individual wells are to be used and if the sales contract contains no provisions for refund or exchange in the event a productive well cannot be installed, include a statement to the effect that there is no assurance a productive well can be installed and, if it cannot, no refund of the purchase price of the lot will be made.
1010.111(a)(1)(i))	(D) If individual wells or individual cisterns are to be used, include a brief statement to the effect that the purity and chemical content of the water cannot be determined until each individual well or source of water is completed and tested.
1010.111(a)(1)(i))	(E) If there have been no hydrological surveys in connection with the use of individual wells or sources of hauled water for cisterns, include a warning to the effect that there is no assurance of a sufficient supply of water for the anticipated population.
1010.111(a)(1)(i))	(F) Is a permit required to install the individual system to be used? If so, from whom and where is the permit secured? State the cost of a permit.
1010.111(a)(1)(i) i) CENTRAL	(A) If water is to be provided by a central system, who is the supplier? What is the supplier's address?
1010.111(a)(1)(i) i)	(B) Will the water mains be extended in front of, or adjacent to, each lot? When will construction begin? What is the present percentage of completion of the water mains and central supply plant? When will service be available to the individual lots? If the central system is not complete and there are separate units or sections of the subdivision included in the Statement of Record which have different completion dates, then the starting date for construction (month and year), the percentage of construction now complete and the estimated service availability date (month and year) shall be set forth in the chart in section XXI of the appendix to this part: Water Chart Form rather than in a narrative paragraph. <div> <div>Unit</div> <div>Estimated starting date (month and year)</div> <div>Percentage of Construction now complete</div> <div>Estimated service availability date (month and year)</div> </div>

1010.111(a)(1)(i)	(C) What is the present capacity of the central plant (i.e., how many connections can be supplied)? If the capacity is not sufficient to serve all lots in the Statement of Record and is to be expanded in phases, what is the timetable for each phase to be in service and what will trigger the beginning of the expansion for each phase? If an entity other than the developer or an affiliate or subsidiary of the developer will supply the water for the central system; if the operation of that entity is supervised by a governmental agency and if that entity states it can supply the anticipated population of the development, then information as to the capacity of the plant and a hydrological survey is not necessary. If the entity does not indicate it can supply enough water for the anticipated population or if the capacity of any central system is not sufficient to serve all lots in the Statement of Record, include a warning which describes the limitations and sets forth the number of lots which can now be served.
1010.111(a)(1)(i)	(D) Have there been any hydrological surveys to determine that a sufficient source of water is available to serve the anticipated population of the subdivision? Has the water in the central system been tested for purity and chemical content? If so, did the results show that the water meets all standards for a public water supply? If there have been no hydrological surveys showing a sufficient supply of water or no tests for purity and chemical content for the central system, include a warning to the effect that there is no assurance of a sufficient supply or that the water is drinkable.
1010.111(a)(1)(i)	(E) Is there any financial assurance of completion of the central system and any future expansion? If not, include a warning to the effect that no funds have been set aside in an escrow or trust account nor have any other financial arrangements been made to assure completion of the water system.
1010.111(a)(1)(i)	(F) If the developer or an affiliate or subsidiary of the developer operates the central system, have all permits been obtained from the proper agencies for the construction, use and operation of the central system? If not, include a warning to the effect that the required permits, approvals or licenses for construction, operation or use of the water system have not been obtained, therefore there is no assurance the system can be constructed or used.
1010.111(a)(1)(i)	(G) If previous completion dates given in prior Statements of Record have not been met, state that previous completion dates have not been met and give the previous dates. Underline the answer. If the central water system is 100 percent completed, no dates are needed.
1010.111(a)(1)(i)	(H) Is the purchaser to pay any construction costs, one-time connection fees, availability fees, special assessments or deposits for the central system? If so, what are the amounts? If not, state that there are no charges other than use fees. If the purchaser will be responsible for construction costs of the water mains, state the cost to install the mains to the most remote lot covered by this report.
1010.111(a)(1)(i)	(I) If a purchaser wishes to use a lot prior to the date central water is available to it, may the purchaser install an individual system? If so, include the information required for individual systems in §1010.111(a)(1)(i). Will the purchaser be required to discontinue use of any individual system and connect to the central system when service is available to the lot? If the purchaser is not required to connect to the central system, must any construction costs, connection fees, availability fees, special assessments or deposits in connection with the central system still be paid? If an individual system may not be installed, so state and indicate water will not be available until the central system is extended to the lot.
1010.111(a)(1)(i)	(J) If connection to the system is voluntary and not all purchasers elect to use the system, will the cost to those who do use the system be increased? If so, include a statement to the effect that connection to the central system is voluntary and those who use the system may have to pay a disproportionate share of the cost of the system and its operation.
1010.111(a)(1)(i)	(K) If the developer is to construct the system and will later turn it over to a property owners' association for operation and maintenance, state the estimated date and conditions of the conveyance and if it will be conveyed free and clear of any encumbrance. If there is a charge or if the association must assume an encumbrance, state the estimated amount of either and the terms for retirement of either obligation.
1010.111(a)(1)(i)	(L) If the supplier of water is other than a governmental agency or an entity which is regulated and supervised by a governmental agency, state that neither the operation of the water system nor the rates are regulated by a public authority.
1010.111(a)(1)(i)	(M) The warning "We do not own or operate the central water system so we cannot assure its continued availability for your use" shall be included unless: (1) The central water system is owned and operated by the developer, or an affiliate or subsidiary of the developer, or (2) The central water system is owned and operated by a governmental agency or by an entity which is regulated and supervised by a governmental agency.

1010.111(b)(1) UTILITIES SEWER	What methods of sewage disposal are to be used (e.g., central system, comfort stations or individual on-site systems such as septic tanks, holding tanks, etc.) in the subdivision? Of the following items, only those which apply to the subdivision need be included.				
1010.111(b)(1)(i)) INDIVIDUAL	(A) If individual systems are to be used, have the local authorities given general approval to the use of these systems in the subdivision or have they given specific approval for each lot? Are permits necessary? From whom and where are they obtained? Must testing of the lot be done prior to the issuance of a permit? State the cost of a permit and the estimated costs of the system and any necessary tests.				
1010.111(b)(1)(i))	(B) If holding tanks are to be used, state whether pumping and hauling service is available and the estimated monthly costs of that service for a family of four living in a house on a year-round basis.				
1010.111(b)(1)(i))	(C) If each and every lot has not been approved for the use of an individual on-site system, include a warning to the effect that there is no assurance permits can be obtained for the installation and use of individual on-site systems. If the sales contract contains no provisions for refund or exchange in the event a permit cannot be obtained, include a statement to the effect that there is no assurance an individual on-site system can be installed and, if it cannot, no refund of the purchase price of the lot will be made.				
1010.111(b)(1)(i))	(D) If no permit is required for the installation and use of individual onsite systems, explain whether this may have an effect upon the purchaser or the availability of construction or permanent financing.				
1010.111(b)(1)(i))	(E) If the developer has knowledge that permits for the installation of individual on-site systems have been denied; that there have been unsatisfactory percolation tests or that systems have not operated satisfactory in the subdivision, state the number of these rejections, unsatisfactory tests or operations.				
1010.111(b)(1)(i) i) and 1010 Appendix XXII COMFORT STATION	<p>(A) If comfort stations are to be used, how many lots will be served by each station? When will construction be started? When will the station or stations be completed and ready for use? Have the necessary permits been obtained for the construction and use of comfort stations? If the necessary permits have not been obtained, include a warning that the necessary permits, approvals or licenses have not been obtained for the construction and use of the comfort stations; therefore there is no assurance they can be constructed or used. If there are comfort stations located in different units and having different completion dates, the chart found in section XXII of the appendix to this part: Comfort Station Chart shall be used to show the estimated construction starting date (month and year), the present percentage of completion and the date on which they will be used rather than a narrative paragraph.</p> <table><tr><td>Unit</td><td>Estimated starting date (month and year)</td><td>Percentage of Construction now complete</td><td>Estimated service availability date (month and year)</td></tr></table>	Unit	Estimated starting date (month and year)	Percentage of Construction now complete	Estimated service availability date (month and year)
Unit	Estimated starting date (month and year)	Percentage of Construction now complete	Estimated service availability date (month and year)		
1010.111(b)(1)(i) i)	(B) Who is to construct the comfort stations? Is there any financial assurance of their completion? If not, include a warning to the effect that no funds have been set aside in an escrow or trust account nor have any other financial arrangements been made to assure completion of the comfort stations and there is no assurance the facilities will be completed.				
1010.111(b)(1)(i) i)	(C) Who will be responsible for maintenance of the comfort stations? Is there any cost to the purchaser for construction, use or maintenance?				
1010.111(b)(1)(i) ii) CENTRAL	(A) If a central sewage treatment and collection system is being installed, who is responsible for construction of the system? Will the sewer mains be installed in front of, or adjacent to, each lot? When will construction be started (month and year)? When will service be available (month and year)? Who will own and operate the system? Give the name and address of the entity.				

1010.111(b)(1)(i) ii)	(K) If the owner or operator of the central sewer system is other than a governmental agency or an entity which is regulated and supervised by a governmental agency, state that neither the operation of the sewer system nor the rates are regulated by a public authority.				
1010.111(b)(1)(i) ii)	(L) The warning “We do not own or operate the central sewer system so we cannot assure its continued availability for your use.” shall be included unless: (1) The central sewer system is owned and operated by the developer, or an affiliate or subsidiary of the developer, or (2) The central sewer system is owned and operated by a governmental agency or by an entity which is regulated and supervised by a governmental agency.				
1010.111(c) UTILITIES ELECTRICITY	(1) Who will provide electrical services to the subdivision?				
1010.111(c) and 1010 Appendix XXIV	(2) Have primary electrical service lines been extended in front of, or adjacent to, all of the lots? If not, when (month and year) or under what conditions will construction begin and when will service be available? If they have not been installed, who is responsible for their construction? If electrical service lines have not been extended in front of, or adjacent to, all lots and there are separate units or sections having different service availability dates, the chart found in section XXIV of the appendix to this part: Electric Service Chart shall be used rather than a narrative paragraph. <table><tr><td>Unit</td><td>Estimated starting date (month and year)</td><td>Percentage of Construction now complete</td><td>Estimated service availability date (month and year)</td></tr></table>	Unit	Estimated starting date (month and year)	Percentage of Construction now complete	Estimated service availability date (month and year)
Unit	Estimated starting date (month and year)	Percentage of Construction now complete	Estimated service availability date (month and year)		
1010.111(c)	(3) If construction of the lines or service to the ultimate consumer is provided by an entity other than a publicly regulated utility, who provides, or will provide, the service? Who will be responsible for maintenance? What is the assurance of completion? If service is not provided by a publicly regulated utility, what charges or assessments will the purchaser pay?				
1010.111(c)	(4) If the primary service lines have not been extended in front of, or adjacent to each lot, will the purchaser be responsible for any construction costs? If so, what is the utility company’s policy and charges for extension of primary lines? Based on that policy, what would be the cost to the purchaser for extending primary service to the most remote lot in this Report?				
1010.111(c)	(5) If electrical service will not be provided, what is an alternate source (e.g., generators, etc.) and what are the estimated costs?				
1010.111(c)	(6) If the lines are to be installed by some entity other than a publicly regulated utility and if there is no financial assurance of completion, include a warning to the effect that no funds have been set aside in an escrow or trust account nor have any other financial arrangements been made to assure construction of the electric lines.				
1010.111(d) UTILITIES TELEPHONE	(1) Is telephone service now, or will it be, available? Who will furnish the service?				
1010.111(d)	(2) Have the service lines been extended in front of, or adjacent to, each of the lots? If not, when, and under what conditions, will construction be started and when will service be available (month and year)?				
1010.111(d)	(3) If the service lines have not been extended in front of, or adjacent to, each lot, will the purchaser be responsible for any construction costs? If so, what is the utility company’s policy and charges for extension of service lines? Based on that policy, what would be the cost to the purchaser of extending service lines to the most remote lot in this Report?				
1010.111(e) UTILITIES FUEL	(1) What fuel, or other energy source, will be available for heating, cooking, etc. in the subdivision? If other than electricity is to be used, describe the availability of the fuel or other energy source. Give the name and address of the supplier. If the fuel is natural gas, when will the mains be installed to the lots? What is the cost to the purchaser for installation fees and connection fees? If oil or propane gas will be used, include the cost of a storage tank. (2) [Reserved]				

1010.112 FINANCIALS	(a) The information required by paragraphs (b) and (c) of this section need appear only if the answer to the question is an affirmative one.
1010.112	(b) Has the developer had a deficit in retained earnings or experienced an operating loss during the last fiscal year or, if less than a year old, since its formation? If so, include a statement to the effect that this may affect the developer's ability to complete promised facilities and to discharge financial obligations. This statement may be omitted if: (1) All facilities, utilities and amenities proposed to be completed by the developer in the Property Report and sales contract have been completed so that the lots included in the Statement of Record are immediately usable for the purpose for which they are sold, or if: (2) The developer is contractually obligated to the purchaser to complete all facilities, utilities and amenities promised by it in the Statement of Record, and: (i) The developer has made financial arrangements, such as the posting of surety bonds (corporate or individual notes or bonds are not acceptable), irrevocable letters of credit, escrow or trust accounts, to assure that the facilities, utilities and amenities will be completed by the dates set out in the Property Report or contract; (ii) The sales contract provides for delivery of a deed within 180 days of the signing of the contract which conveys title free of any mortgage or lien, or the developer has filed an assurance of title agreement with ILSRP as outlined in § 1010.212(e); and (iii) Any down payments or deposits are held in an escrow or trust account.
1010.112	(c) If the developer's financial statements have been audited, did the accountant qualify the opinion or decline to give an opinion? If so, why was the opinion qualified or declined?
1010.112	(d) The following statement shall appear: "A copy of our financial statements for the period ending _____ is available from us upon request."
1010.112	(e) The information furnished in § 1010.212 (b) may necessitate a warning as to costs and/or feasibility of the completion of the subdivision.
1010.113 LOCAL SERVICES	(a) Fire protection. Describe the availability of fire protection and indicate whether it is available year round.
1010.113	(b) Police protection. Describe the availability of police protection.
1010.113	(c) Schools. State whether elementary, junior high and senior high schools are available to residents of the subdivision. Is school bus transportation available from within the subdivision? Developers input does not usually indicate from within the subdivisions. Radio button with imbedded text and text box if not from within the subdivision should be used.
1010.113	(d) Hospital. Give the name and location of the nearest hospital and state whether ambulance service is available.
1010.113	(e) Physicians and dentists. State the location of the nearest physicians' and dentists' offices.
1010.113	(f) Shopping facilities. State the location of the nearest shopping facilities.
1010.113	(g) Mail service. If there is no mail service to the subdivision, describe the arrangements the purchasers must make to receive mail service.
1010.113	(h) Public transportation. Is there public transportation available in the subdivision or to nearby towns? If not, give the location of the nearest public transportation and the distance from the subdivision.
1010.114	(a) Recreational facilities to be covered. Unless otherwise indicated, all information required by paragraphs (b) and (c) of this section shall be provided for only those recreational facilities which (1) The developer is contractually responsible to provide or complete and which are: (i) Within, adjacent or contiguous to the subdivision, and (ii) Maintained substantially for the use of lot owners; or (2) For which a third party is responsible and which are: (i) Within, adjacent or contiguous to the subdivision, and (ii) Maintained substantially for the use of lot owners.

1010.114	<p><u>Sometimes the Regulations will require the Developer to put charts within the Property Report as described below. The Regulations often give examples of how the chart should be formatted as well.</u></p> <p>(b) Recreational facility chart. Complete the chart found in section XXV of the appendix to this part: Recreational Facility Chart in accordance with the instructions which follow it. This chart shall immediately follow the § 1010.114 heading. Limit the chart to facilities provided essentially for use of lot buyers. (1) Facility. Identify each recreational facility. Identify closely related facilities (e.g., swimming pool and bathhouse) separately only if their availability dates differ. If any recreational facility is not owned by the developer, insert a warning below the chart phrased substantially as follows: “We do not own the (name of facility or facilities) so we can not assure its (their) continued availability.” XXV. Recreational Facility Chart— § 1010.114(b)</p> <table><tr><td>Facility</td><td>Percentage of construction now complete</td><td>Estimated date of start of construction (month/year)</td><td>Estimated date available for use (month/year)</td></tr><tr><td></td><td>Financial assurance of completion</td><td colspan="2">Buyer’s annual cost or assessments</td></tr></table> <p>(2) Percent complete. State the present percentage of completion of construction for each recreational facility. (3) Estimated date of start of construction. Insert the estimated date of the start of construction for the facility (month and year). (4) Estimated date available for use. If the construction of the facility is not complete or if it is not available to lot owners for its intended use, indicate the estimated date (month and year) that the facility will be available for use. If the “estimated date available for use” for any facility has been amended to delay it to a later date, indicate such delay in a statement immediately below the chart. Underline the response. This statement shall include the name of the facility and the prior estimated availability date, and it shall be referenced to the appropriate facility listed on the chart by use of an asterisk or other appropriate symbol. If a facility is 100 percent completed and in use, no date is needed. (5) Financial assurance of completion. If the construction of the facility is not complete, state whether there is any financial assurance of completion. If none, state “none.” If such exists, state the type of assurance (i.e., bond, escrow, or trust). If no documentation for such assurance has been provided in § 1010.214 of the Statement of Record, then do not indicate such assurance on the chart, but in place of such assurance on the chart state “none.” (6) Buyer’s annual cost or assessments. State the lot buyer’s annual cost or assessments for using the facility. These costs should include any applicable property owners’ association assessment, and the developer’s maintenance assessment. If the cost information is lengthy, you may use an asterisk or other appropriate symbol and include the cost information in a paragraph below the chart.</p>	Facility	Percentage of construction now complete	Estimated date of start of construction (month/year)	Estimated date available for use (month/year)		Financial assurance of completion	Buyer’s annual cost or assessments	
Facility	Percentage of construction now complete	Estimated date of start of construction (month/year)	Estimated date available for use (month/year)						
	Financial assurance of completion	Buyer’s annual cost or assessments							
1010.114	<p>(c) Information to be provided below the recreational facility chart and related warnings. (1) Constructing the facilities. If the facilities are not complete, indicate who is responsible for the construction of the facilities. Indicate whether the purchaser will be required to pay any of the cost of construction of these facilities (estimate and disclose such cost, if any). (2) Maintaining the facilities. Indicate who is responsible for the operation and maintenance of these facilities. (3) Facilities which will be leased to lot purchasers. If no facilities covered here will be leased to a Property Owners’ Association or other lot owners in the subject subdivision, omit this caption and any information requested under it from the Property Report. If such leases exist or are anticipated, state which facilities are or will be leased and indicate the term of the lease. Also, state whether the lot owners will have an opportunity to terminate or ratify the lease after control of the Property Owners’ Association is turned over to them. Indicate whether the owner of a recreational facility leased to the Property Owners’ Association or other lot owners may encumber it and whether the holders of such encumbrances may acquire the leased facilities and not honor the lease. Indicate whether the lease payments may be increased on an escalating or other basis and what costs or expenses, if any, will be borne by the owner. State whether the lease can be assigned or sublet. State how the lease can be terminated. (4) Transfer of the facilities. If there are presently any liens or mortgages on any of these recreational facilities, describe such liens or mortgages. If the developer, or owner of the subdivision, their principals, or subsidiaries, intend to transfer the title of a listed recreational facility in the future, explain at what time, by what type of conveyance, and to whom such transfer will be made. Disclose any adverse effects on, or cost to, lot purchasers which may be caused by such transfer. If any facility is to be transferred to lot owners as a Property Owners’ Association or otherwise, state whether the facility will be transferred free and clear of all liens and encumbrances. If not, state the amount of the encumbrance to be assumed and disclose any contractual conditions on such transfer which relate to lot purchasers. (5) Permits. If the necessary permits have not been obtained for the construction and/or use of the facilities, identify the facilities for which such permits have not been obtained and include the following statement, or one substantially the same, in the narrative under the caption “Permits”: “The (identify the permit or license) has not been obtained and therefore there is no assurance that the lot owners will be able to use the (identify the facility).” (6) Who may use the facilities. Indicate who will be permitted to use the recreational facilities (e.g., lot owners, their guests, employees of developer, general public). If the general public will be permitted to use the facilities include the following statement in the narrative under the caption “Who may use the facilities”: “The (identify the facility) is open to use by the general public and their use of the facility may limit use of it by lot owners.”</p>								

1010.115 SUBDIVISION CHARACTERISTICS AND CLIMATE	(a) General topography. What is the general topography and the major physical characteristics of the land in the subdivision? State the percentage of the subdivision which is to remain as natural open space and as developed parkland. Are there any steep slopes, rock outcroppings, unstable or expansive soil conditions, etc., which will necessitate the use of special construction techniques to build on, or use, any lot in the subdivision? If so, identify the lots affected, and describe the techniques recommended. If any lots in the subdivision have a slope of 20%, or more, include a warning that "Some lots in this subdivision have a slope of 20%, or more. This may affect the type and cost of construction."
1010.115	(b) Water coverage. Are any lots, or portions of any lots, covered by water at any time? What lots are affected? When are they covered by water? How does this affect their use for the purpose for which they are sold? Can the condition be corrected? At what cost to the purchaser? Issues as to Developers answers revolve around use of lot. Many developers only answer as to building envelope and not only for the use of the lot for the other purposes a consumer purchases it for. Issue can be resolved with imbedded text
1010.115	(c) Drainage and fill. Identify the lots which require draining or fill prior to being used for the purpose for which they are being sold. Who will be responsible for any corrective action? If the purchaser is responsible, what are the estimated costs?
1010.115	(d) Flood plain. Is the subdivision located within a flood plain or an area designated by any Federal, state or local agency as being flood prone? What lots are affected? Is flood insurance available? Is it required in connection with the financing of any improvements to the lot? What is the estimated cost of the flood insurance?
1010.115	(e) Flooding and soil erosion. (1) Does the developer have a program which provides, or will provide, at least minimum controls for soil erosion, sedimentation or periodic flooding throughout the subdivision? (2) If there is a program, describe it. Include in the description information as to whether the program has been approved by the appropriate government officials; when it is to start; when it is to be completed (month and year); whether the developer is obligated to comply with the program and whether there is any financial assurance of completion. (3) If there is no program or if the program has not been approved by the appropriate officials or if the program does not provide minimum protection, include a statement to the effect that the measures being taken may not be sufficient to prevent property damage or health and safety hazards. A minimum program will usually provide for: (i) Temporary measures such as mulching and seeding of exposed areas and silt basins to trap sediments in runoff water, and (ii) Permanent measures such as sodding and seeding in areas of heavy grading or cut and fill along with the construction of diversion channels, ditches, outlet channels, waterway stabilizers and sediment control basins.
1010.115	(f) Nuisances. Are there any land uses which may adversely affect the subdivision (e.g., unusual or unpleasant noises or odors, pollutants or nuisances such as existing or proposed industrial activity, military installations, airports, railroads, truck terminals, race tracks, animal pens, noxious smoke, chemical fumes, stagnant ponds, marshes, slaughterhouses and sewage treatment facilities)? If any nuisances exist, describe them. If there are none, state there are no nuisances which affect the subdivision.
1010.115(g)(1)	Hazards. (1) Are there any unusual safety factors which affect the subdivision (e.g., dilapidated buildings, abandoned mines or wells, air or vehicular traffic hazards, danger from fire or explosion or radiation hazards)? Is the developer aware of any proposed plans for construction which may create a nuisance or safety hazard or adversely affect the subdivision? If there are any existing hazards or if there is any proposed construction which will create a nuisance or hazard, describe the hazard or nuisance. If there are no existing or possible future hazards, state that there are none.
1010.115(g)(2)	Hazards. (2) Is the area subject to natural hazards or has it been formally identified by any Federal, state or local agency as an area subject to the frequent occurrence of natural hazards (e.g., tornadoes, hurricanes, earthquakes, mudslides, forest fires, brush fires, avalanches, flash flooding)? If the jurisdiction in which the subdivision is located has a rating system for fire hazard, state the rating assigned to the land in the subdivision and explain its meaning. <u>Developers' responses are frequently: No Federal, state or local agency has formally identified the area (or subdivision) is subject to the frequent occurrence of natural hazards. This particular statement is flat out incorrect arising from the Natural Hazard Mitigation Plans issued by all of the States for their jurisdictions as well as many local jurisdiction (regions, counties, and cities) have Natural Hazard Mitigation Plans.</u>
1010.115	(h) Climate. What are the average temperature ranges, summer and winter, for the area in which the subdivision is located (i.e., high, low and mean)? What is the average annual rainfall and snowfall?
1010.115	(i) Occupancy. How many homes are occupied on a full- or part-time basis as of (date of submission)? Developers must be advised to respond as to the number of homes within the registration being registered and not just the regions response must be

1010.116	(a) Property Owners' Association. (1) Will there be a property owners' association for the subdivision? Has it been formed? What is its name? Is it operating? If not yet formed, when will it be formed? Who is responsible for its formation? (2) Does the developer exercise, or have the right to exercise, any control over the Association because of voting rights or placement of officers or directors? For how long will this control last? (3) Is membership in the association voluntary? Will non-member lot owners be subject to the payment of dues or assessments? What are the association dues? Can they be increased? Are members subject to special assessments? For what purpose? If membership in the association is voluntary and if the association is responsible for operating or maintaining facilities which serve all lot owners, include the following statement: "Since membership in the association is voluntary, you may be required to pay a disproportionate share of the association costs or it may not be able to carry out its responsibilities." (4) What are the functions and responsibilities of the association? Will the association hold architectural control over the subdivision? (5) Are there any functions or services that the developer now provides at no charge for which the association may be required to assume responsibility in the future? If so, will an increase in assessments or fees be necessary to continue these functions or services? (6) Does the current level of assessments, fees, charges or other income provide the capability for the association to meet its present, or planned, financial obligations including operating costs, maintenance and repair costs and reserves for replacement? If not, how will any deficit be made up?
1010.116 ADDITIONAL INFORMATION	(b) Taxes. (1) When will the purchaser's obligation to pay taxes begin? To whom are the taxes paid? What are the annual taxes on an unimproved lot after the sale to a purchaser? If the taxes are to be paid to the developer, include a statement that "Should we not forward the tax funds to the proper authorities, a tax lien may be placed against your lot." (2) If the subdivision is encompassed within a special improvement district or if a special district is proposed, describe the purpose of the district and state the amount of assessments. Describe the purchaser's obligation to retire the debt.
1010.116	(c) Violations and litigations. This information need appear only if any of the questions are answered in the affirmative. Unless the Director gives prior approval for it to be omitted, a brief description of the action and its present status or disposition shall be given. (1) With respect to activities relating to or in violation of a Federal, state or local law concerned with the environment, land sales, securities sales, construction or sale of homes or home improvements, consumer fraud or similar activity, has the developer, the owner of the land or any of their principals, officers, directors, parent corporation, subsidiaries or an entity in which any of them hold a 10% or more financial interest, been: (i) Disciplined, debarred or suspended by any governmental agency, or is there now pending against them an action which could result in their being disciplined, debarred or suspended or, (ii) Convicted by any court, or is there now pending against them any criminal proceedings in any court? ILSRP suspension notices on pre-effective Statements of Record and amendments need not be listed. (2) Has the developer, the owner of the land, any principal, any person holding a 10% or more financial or ownership interest in either, or any officer or director of either, filed a petition in bankruptcy? Has an involuntary petition in bankruptcy been filed against it or them or have they been an officer or director of a company which became insolvent or was involved, as a debtor, in any proceedings under the Bankruptcy Act during the last 13 years? (3) Is the developer or any of its principals, any parent corporation or subsidiary, any officer or director a party to any litigation which may have a material adverse impact upon its financial condition or its ability to transfer title to a purchaser or to complete promised facilities? If so, include a warning which describes the possible effects which the action may have upon the subdivision.
1010.116	(d) Resale or exchange program. (1) Are there restrictions which might hinder lot owners in the resale of their lots (e.g., a prohibition against posting signs, limitations on access to the subdivision by outside brokers or prospective buyers; the developer's right of first refusal; membership requirements)? If so, briefly explain the restrictions. (2) Does the developer have an active resale program? If the answer is "no," include the following statement: "We have no program to assist you in the sale of your lot." (3) Does the developer have a lot exchange program? If the answer is "yes," describe the program; state any conditions and indicate if the program reserves a sufficient number of lots to accommodate all those wishing to participate. If there is no program or if sufficient lots are not reserved, include one of the following statements as applicable: "We do not have any provision to allow you to exchange one lot for another" or "We do not have a program which assures that you will be able to exchange your lot for another."

1010.116	<p><u>Here are some examples of other disclosures the Regulations may require a developer to provide within the Property Report.</u></p> <p>(e) Unusual situations. This topic need appear only if one or more of the following cases apply to the subdivision, then only the applicable subject, or subjects, will appear. (1) Leases. What is the term of the lease? Is it renewable? Is it recordable? Can creditors of the developer, or owner, acquire title to the property without any obligation to honor the terms of the lease? Are the lease payments a flat sum or are they graduated? Can the lessee mortgage or otherwise encumber the leasehold? Will the lessee be permitted to remove any improvements which have been installed when the lease expires or is terminated? (2) Foreign subdivision. (i) Is the owner or developer of the subdivision a foreign country corporation? If legal action is necessary to enforce the contract, must it be taken in the courts of the country where the subdivision is located? (ii) Does the country in which the subdivision is located have any laws which restrict, in any way, the ownership of land by aliens? If so, what are the restrictions? (iii) Must an alien obtain a permit or license to own land, build a home, live, work or do business in the country where the subdivision is located? If so, where is such permit or license secured; for how long is it valid and what is its cost? (3) Time sharing. (i) How is title to be conveyed? How many shares will be sold in each lot? How is use time allocated? How are taxes, maintenance and utility expenses divided and billed? How are voting rights in any Association apportioned? Are there management fees? If so, what are their amounts and how are they apportioned? (ii) Is conveyance of any portion of the lot contingent upon the sale of the remaining portions? Is the initial buyer responsible for any greater portion of the expense than his normal share until the remaining interests are sold? If the purchase of any of the portions is financed, will the default of one owner have any effect upon the remaining owners? (4) Memberships. (i) Does the purchaser receive any interest in title to the land? What is the term of the membership? Is it renewable? What disposition is made of the membership in the event of the death of the member? Are the lots individually surveyed and the corners marked? If not, how does the member identify the area which the member is entitled to use? What is the approximate square footage the member is entitled to use? Are there different classes of membership? How are the different classes identified and what are the differences between them? (ii) If the member does not receive any interest in the title to the land, include a warning to the effect that “you receive no interest in the title to the land but only the right to use it for a certain period of time.”</p>
1010.116	<p>(f) Equal opportunity in lot sales. State whether or not the developer is in compliance with title VIII of the Civil Rights Act of 1968 by not directly or indirectly discriminating on the basis of race, color, religion, sex, national origin, familial status, and handicap in any of the following general areas: Lot marketing and advertising, rendering of lot services, and in requiring terms and conditions on lot sales and leases. An affirmative answer cannot be given if the developer, directly or indirectly, because of race, color, religion, sex, national origin, familial status, or handicap is: (1) Refusing to sell or lease lots after the making of a bona fide offer or to negotiate for the sale or lease of lots or is otherwise making unavailable or denying a lot to any person, or (2) Discriminating against any person in the terms, conditions or privileges in the sale or leasing of lots or in providing services or facilities in connection therewith, or (3) Making, printing, publishing or causing to be made, printed or published any notice, statement or advertisement with respect to the sale or leasing of lots that indicates any preference, limitation or discrimination against any person, or (4) Representing to any person that any lot is not available for inspection, sale or lease when such lot is in fact available, or (5) For profit, inducing or attempting to induce any person to sell or lease any lot by representations regarding the entry or non-entry into the neighborhood of a person or persons of a particular race, color, religion, sex, national origin, familial status, or handicap.</p>
1010.116	<p>(g) Listing of lots. Provide a listing of lots which shall consist of a description of the lots included in the Statement of Record by the names or number of the section or unit, if any; the block number, if any; and the lot numbers. The lots shall be listed in the most efficient and concise manner. If the filing is a consolidation, the listing shall include all lots registered to date in the subdivision, except any which have been deleted by amendment.</p>

1010.117 Appendix 1010 XXVI COST SHEET	<p>(a) Cost sheet—Format. (1) The cost sheet shall be prepared in accordance with the format found in section XXVI of the appendix to this part: Cost Sheet Format and paragraph (a)(2) of this section. (2) Cost sheet instructions. (i) All amounts for cost sheet items will be entered before the purchaser signs the receipt. However, any costs that are identical for all lots may be pre-printed. (ii) If a central water or sewer system will be used in all or part of the subdivision and a private system in all or other parts, then the portion that does not apply to the purchaser's lot shall be crossed out.</p> <p>(iii) If individual private systems may be used prior to the availability of service from any central system and the purchaser is not required to connect to any central system, both figures may be entered or only the highest cost figures may be used with a parenthetical explanation or footnote. If the purchaser is required to connect to any central system and discontinue the use of his private system when central service is available, both cost figures shall be given, together with an explanation or footnote. (iv) If there is a one time, lump sum "availability fee" which is assessed to the purchaser in connection with a central utility, include under "other" and identify. (v) Dues and assessments need be included only if they are involuntary regardless of use. (vi) At the discretion of the Director, where there is extreme diversity in the figures for different areas of the subdivision, variations may be permitted as to whether the figures will be printed, entered manually, or a range of costs used or any combination of these features. (vii) The estimated annual taxes shall be based upon the projected valuation of the lot after sale to a purchaser.</p> <p><u>The Cost Sheet should be the third page from the end of the Property Report and signed by a senior executive officer.</u></p>
1010.117	(b) Signature of the Senior Executive Officer. The Senior Executive Officer or a duly authorized agent shall sign the property report. Facsimile signatures may be used for purposes of reproduction of the property report.
1010.118 1010 Appendix XXVII RECEIPT	<p>(a) Format. The receipt, agent certification and cancellation page shall be prepared in accordance with the sample found in section XXVII of the appendix to this part: Sample Receipt, Agent Certification and Cancellation Page. <u>This page along with its copy should be the last two pages within the Property Report.</u></p>
1010.118	(b) The original and one copy of this executed page shall be attached to the Property Report delivered to prospective purchasers. After the purchaser has signed the receipt and the salesman has signed the certification, the copies can be retained by the developer for a period of three years from the date of execution or the term of the contract, whichever is the longer. Upon demand by the Director, the developer shall, without delay, make the copies of these receipts and certifications available for inspection by the Director or the developer shall forward to the Director any of the receipts and certifications, or copies thereof, as the Director may specify.
1010.118	(c) If the transaction takes place through the mails, the cost figures shall be entered and the person most active in dealing with the prospective purchaser shall sign the certification prior to mailing the Property Report to the purchaser. Otherwise, the certification shall be executed in the presence of the purchaser.
1010.118	(d) The date of Report appearing on the receipt shall be the same as that appearing on the cover sheet of the Property Report.
1010.118	(e) Notification of cancellation by mail shall be considered given at the time post-marked.
	REQUIREMENTS FOR THE ADDITIONAL INFORMATION AND DOCUMENTATION (AID) SECTION OF THE INITIAL STATEMENT OF RECORD
1010.200	The Additional Information and Documentation portion of the Statement of Record shall contain the statements and documents required in §§ 1010.208 through 1010.219. Each section number and its associated heading and each paragraph letter or number and their associated subheadings or captions must appear in this portion. Following each heading, subheading, or caption printed in this portion, the registrant shall insert an appropriate response. If a heading, subheading, or caption does not apply to the subdivision, it shall be followed by the words "not applicable". Immediately after the page(s) on which the section number and answers for that section appear, insert the information or documents which support that section. In addition to the statements and documentation expressly required there shall be added any further material, information, documentation and certifications as may be necessary in the public interest and for the protection of purchasers or to cause the statements made to be not misleading in the light of the circumstances under which they are made.

1010.208 GENERAL INFORMATION	(a) Administrative information. (1) State whether the material represents an initial Statement of Record or a consolidated Statement of Record. If it is a consolidated Statement of Record, identify the original ILSRP number assigned to the initial Statement of Record. State whether subsequent Statements of Record will be submitted for additional lots in the subdivision. (2) Has the developer submitted a request for an exemption for the subdivision? (3) List the states in which registration has been made by the developer for the sale of lots in the subdivision. (4) If any state listed in paragraph (a)(3) of this section has not permitted a registration to become effective or has suspended the registration or prohibited sales, name the state involved and give the reasons cited by the state for their action. (5) State whether the developer has made, or intends to make, a filing with the U.S. Securities and Exchange Commission (SEC) which is related in any way to the subdivision. If a filing has been made with the SEC, give the SEC identification number; identify the prospectus by name; date of filing and state the page number of the prospectus upon which specific reference to the subdivision is made. Any disciplinary action taken against the developer by the SEC should be disclosed in §§ 1010.116 and 1010.216.
1010.208	(b) Subdivision information. (1) If this is a consolidated Statement of Record, state the number of lots being added, the number of lots in prior Statements of Record and the new total number of lots. The Director must be able to reconcile the numbers stated here with the title evidence; the plat maps and the disclosure in § 1010.108. (2) State the number of acres represented by the lots in this Statement of Record. If this is a consolidated Statement of Record, state the number of acres being added, the number of acres in prior Statements of Record and the new total number of acres. State the total acreage owned in the subdivision, the number of acres under option or similar arrangement for acquisition of title to the land and the total acreage to be offered pursuant to the same common promotional plan. (3) State whether any lots have been sold in this subdivision since April 28, 1969, and prior to registration with ILSRP. If they were sold pursuant to an exemption, identify the exemption provision and state whether an advisory opinion, exemption order or exemption determination was obtained with respect to those lots sales. Give the ILSRP number assigned to the exemption, if any.
1010.208	(c) Developer information. (1) State the name, address, Internal Revenue Service number and telephone number of the owner of the land. If the owner is other than an individual, name the type of legal entity and list the interest, and extent thereof, of each principal. Identify the officers and directors. (2) If the developer is not the owner of the land, state the developer's name, address, Internal Revenue Service number and telephone number. If the developer is other than an individual, name the type of legal entity and list the interest, and the extent thereof, of each principal. Identify the officers and directors. (3) If you wish to appoint an authorized agent, state the agent's name, address and telephone number and scope of responsibility. This shall be the party designated by the developer to receive correspondence, service of process and notice of any action taken by ILSRP. In all Statements of Record, including those for foreign subdivisions, the authorized agent shall be a resident of the United States. A change of the authorized agent will require an appropriate amendment. (4) State whether the owner of the land, the developer, its parent, subsidiaries or any of the principals, officers or directors of any of them are directly or indirectly involved in any other subdivision containing 100 or more lots. If so, identify the subdivision by name, location, and ILSRP number, if any. (5) State whether the owner or developer is a subsidiary corporation. If either the owner or developer is a subsidiary corporation or if any of the principals of the owner or developer are corporate entities, name the parent and/ or corporate entity and state the principals of each to the ultimate parent entity.

1010.208	<p>(d) Documentation . (1) Submit a copy of the property report, subdivision report, offering statement or similar document filed with the state or states with which the subdivision has been registered. (2) Submit a copy of a general plan of the subdivision. This general plan must consist of a map, prepared to scale, and it must identify the various proposed sections or locks within the subdivision, the existing or proposed roads or streets, and the location of the existing or proposed recreational and/or common facilities. In an initial filing, this map must at least show the area included in the Statement of Record. In a consolidated Statement of Record, show areas being added, as well as the areas previously registered. If a map of the entire subdivision is submitted with the initial Statement of Record, and if no substantial changes are made when material for a consolidated Statement of Record is submitted, the original map may be included by reference. (3)(i) If the developer is a corporation, submit a copy of the articles of incorporation, with all amendments; a copy of the certificate of incorporation or a certificate of a corporation in good standing and, if the subdivision is located in a state other than the one in which the original certificate of incorporation was issued, a certificate of registration as a foreign corporation with the state where the subdivision is located. (ii) If the developer is a partnership, unincorporated association, joint stock company, joint venture or other form of organization, submit a copy of the articles of partnership or association and all other documents relating to its organization. (iii) If the developer is not the owner of the land, submit copies of the above documents for the owner.</p>
1010.209 TITLE EVIDENCE	<p>(a) General information. (1) State whether the developer has reserved the right to exchange or withdraw lots after a purchaser has signed a sales contract (e.g., for prior sales, failure to pass credit check). If yes, indicate this authority and make reference to the applicable paragraph in the sales contract or other document. (2) State whether there is a provision giving purchasers an option to exchange lots. If yes, indicate this and make reference to the applicable paragraph in the sales contract or other document. (3) State whether the developer knows of any instruments not of record which, if recorded, would affect title to the subdivision. If yes, copies of these instruments shall be submitted, except that copies of unrecorded contracts for sales of lots in the subdivision need not be submitted. (4)(i) Identify the Federal, State, and local agencies or similar organizations which have the authority to regulate or issue permits, approvals or licenses which may have a material effect on the developer's plans with respect to the proposed division of the land, and any existing or proposed facilities, common areas or improvements to the subdivision. (ii) Describe or identify the land or facilities affected; the permit, approval or license required; and indicate whether the permit, approval or license has been obtained by the developer. (iii) If no agency regulates the division of the land or issues any permits, approvals or licenses with respect to improvements, so state. (iv) Answers must specifically cover the areas of environmental protection; environmental impact statements; and construction, dredging, bulk heading, etc. that affect bodies of water within or around the subdivision. Also include licenses or permits required by water resources boards, pollution control boards, river basin commissions, conservation agencies or similar organizations. (5) State whether it is unlawful to sell lots prior to the final approval and recording of a plat map in the jurisdiction where the subdivision is located.</p>
1010.209	<p>(b) Title evidence. (1) Submit title evidence that specifically states the status of the legal and equitable title to the land comprising the lots covered by the Statement of Record and any common areas or facilities disclosed in the Property Report. Title evidence need not be submitted for those common areas and facilities which are not owned by the developer. (2) Acceptable title evidence shall be dated no earlier than 20 business days preceding the date of the filing of the Statement of Record with the Director. Previously issued title evidence may be updated to the date referred to in the preceding sentence by endorsements or attorneys' opinions of title. (3) The developer shall amend the title evidence to reflect the change in status of title of any previously registered, reacquired lots unless their status is at least as marketable as they were when first offered for sale by the developer as registered lots.</p>
1010.209	<p>(c) Forms of acceptable title evidence.(1) An original or a copy of a signed owner's or mortgagee's policy of title insurance, title commitment, certificate of title or similar instrument issued by a title company authorized by law to issue such instruments in the state in which the subdivision is located. Title evidence that limits insurance or negligence liability to amounts less than the market value of the subject land at the time of its acquisition by the subdivision owner is not acceptable; (2) A legal opinion stating the condition of title, prepared and signed by an attorney at law experienced in the examination of titles and a member of the Bar in the state in which the property is located. The title opinion may be based on a Torrens land registration system certificate of title, or similar instrument, provided it meets all general title evidence requirements of this section and a copy of the registration certificate of title is submitted. Title opinions that limit negligence liability to amounts less than the market value of the subject land at the time of its acquisition by the subdivision owner are not acceptable.</p>

1010.209	<p>(d) Title searches. The required evidence of the status of title shall be based on a search of all public records which may contain documents affecting title to the land or the developer's ability to deliver marketable title. The search must cover a period which is required or generally considered adequate for insuring marketability of title in the jurisdiction in which the subdivision is located. Such search shall include an examination of at least the documents listed in paragraphs (d)(1) through (5) of this section. This search may be accomplished through the use of a title insurance company title plant, the information in which is based on current searches of the appropriate and necessary documents, including as a minimum those listed immediately above. For any attorney's title opinion based on Torrens certificates of title, the title search need only go beyond the original time of registration of the certificate of title for those types of encumbrances which were not conclusively settled by the proceedings at the time of such registration. In such cases, the required statement shall clearly reflect the documents and periods searched. (1) The records of the recorder of deeds or similar authority; (2) U.S. Internal Revenue Liens; (3) The records of the circuit, probate, or other courts including Federal courts and bankruptcy or reorganization proceedings which have jurisdiction to affect the title to the land; (4) The tax records; (5) Financing statements filed pursuant to the Uniform Commercial Code or similar law. If it is held that the financing statements do not affect the title of the land, include a statement of the legal authority for that opinion.</p>
1010.209	<p>(e) Items to be included in the title evidence. The acceptable title evidence must include the following information, instruments and statements and need not be repeated or duplicated elsewhere in the Statement of Record. (1) A legal description of the land on which the lots, common areas, and facilities covered by the title evidence are located. This legal description shall be adequate for conveying land in the jurisdiction in which the subdivision is located. If this legal description is based on a recorded plat, the lot numbers, recording place, book name, book number, and page number shall be stated in the description. If this legal description is given by metes and bounds, the title evidence shall include or be accompanied by a certified statement of the preparer of the title evidence, a licensed attorney, or an engineer or surveyor, indicating that all subject lots, common areas, and common facilities are encompassed within the metes and bounds description in the evidence. If at any time after the submission of the legal description required above, the description of the subject land is changed or found to be in error, a correcting amendment shall be made to the Statement of Record. (2) The name of the person(s) or other legal entity(is) holding fee title to the property described. (3) The name of any person(s) or other legal entity(is) holding a leasehold estate or other interest of record in the property described. (4) A listing of any and all exceptions or objections to the title, estate or interest of the person(s) or legal entity(is) referred to in paragraph (e)(2) or (3) of this section, including any encumbrances, easements, covenants, conditions, reservations, limitations or restrictions of record. Any reference to exceptions or objections to title shall include specific references to the instruments in the public records upon which they are based. When an objection or exception to title affects less than all of the property covered by this Statement of Record, the title evidence shall specifically note what portion of the property is so affected. (5) Copies of all instruments in the public records specifically referred to in paragraph (e)(4) of this section. Abstracts of such instruments are acceptable if prepared by an attorney or professional or official abstractor qualified and authorized by law to prepare and certify such abstracts and if the abstracts contain a material portion of the recorded instruments sufficient to determine the nature and effect of such instruments. Also include copies of any release provisions, relating to encumbrances on the property described, which are not included in the documents otherwise required by this section. (6) If an attorney's title opinion has been submitted pursuant to this section which has been based on a Torrens land registration certificate of title, submit a copy of such certificate.</p>

1010.209	<p>(f) Supplemental title information. (1) If there is a holder of an ownership interest in the land other than the developer, submit a copy of any documentation which evidences the developers' authorization to develop and/or sell the land. (2) Submit copies of any trust deeds, deeds in trust, escrow agreements or other instruments which purport to protect the purchaser in the event of default or bankruptcy by the developer on any instrument or instruments which create a blanket encumbrance upon the property unless they have been previously provided as part of "title evidence" submitted pursuant to paragraph (e) of this section. (3)(i) Submit copies of all forms of contracts or agreements and notes to be used in selling or leasing lots. The contracts or agreements, including promissory notes, must contain the following language in boldface type (which must be distinguished from the type used for the rest of the contract) on the face or signature page above all signatures: "You have the option to cancel your contract or agreement of sale by notice to the seller until midnight of the seventh day following the signing of the contract or agreement. If you did not receive a Property Report prepared pursuant to the rules and regulations of the Bureau of Consumer Financial Protection, in advance of your signing the contract or agreement, the contract or agreement of sale may be cancelled at your option for two years from the date of signing." (ii) If the purchaser is entitled to a longer revocation period by operation of state law or the Act, that period becomes the Federal revocation period and the contract or agreement must reflect the requirements of the longer period, rather than the seven days. This language shall be consistent with that shown on the cover page (see § 1010.105). (iii) The revocation provisions may not be limited or qualified in the contract or other document by requiring a specific type of notice or by requiring that notice be given at a specified place. (iv) If it is represented that the developer will provide or complete roads or facilities for waters, sewer, gas, electric service or recreational amenities, the contract must contain a provision that the developer is obligated to provide or complete such roads, facilities and amenities (see § 1011.15(f)). (4) Submit copies of deeds and leases by which the developer will lease or convey title to the lots to purchasers or lessees.</p>
1010.209	<p>(g) Plat maps, environmental studies and restrictions. (1) Plat maps. (i) In those jurisdictions where it is unlawful to sell lots prior to final approval and recording of the plat, and in those cases where a plat has been recorded, submit a copy of the recorded plat. This plat should be an exact copy of the recorded document. It should reflect the signatures of the approving authorities and bear a stamp or notation by the recorder of deeds, or similarly constituted officer, as to the recording data. (ii) If the plat has not been approved by the local authorities nor recorded, and if it is not unlawful to sell lots prior to final approval and recording, submit a map which has been prepared to scale and which shows the proposed division of the land, the lot dimensions and their relation to proposed or existing streets and roads. The map shall contain sufficient engineering data to enable a surveyor to locate the lots. (iii) Whether recorded or unrecorded, the plat or map should show: (A) The dimensions of each lot, stated in the standard unit of measure acceptable for such purposes in the political subdivision where the land is located. (B) A clear delineation of each of the lots and any common areas or facilities. (C) Any encroachments or rights-of way on, over, or under the land, or a notation of these items together with the identity of the lots affected. (D) The courses, distances and monuments, natural or otherwise, of the land's boundaries; contiguous boundaries and identification or ownership of adjoining land and names of abutting streets, ways, etc. (E) The location of the section or unit encompassing the lots in relationship to the larger tract, or tracts, in the subdivision. (F) The delineation of any flood plains or flood control easements affecting any of the lots. (iv) The plat, or map shall be prepared by a licensed surveyor or engineer. (v) If all lots on each page of the plat are not included in the Statement of Record with which the plat or map is submitted, then the lots which are to be included in the Statement of Record shall be identified on the plat or map; a legend describing the method of identification shall be entered on the face of the plat or map and the number of lots so identified entered in the lower right hand corner of the plat map. The Director must be able to reconcile the totals of these numbers with the information given in §§ 1010.108 and 1010.208 of the Statement of Record and the title evidence. (2) Environmental impact study. If the developer is aware of any environmental impact study which considers the effect of the subdivision on the environment, submit a summary of that study. (3) Restrictions or covenants. Submit a copy of any recorded or proposed restrictions or covenants for the subdivision if not submitted elsewhere in this Statement of Record. A copy of these restrictions or covenants shall be delivered to a prospective purchaser upon request. A supply shall be maintained at whatever place or places as will be necessary to allow immediate delivery upon request.</p>
1010.210 ROADS	<p>(a) State the estimated cost to the developer of the proposed road system. (b) If the developer is to complete any roads providing access to the subdivision, submit copies of any bonds or escrow agreements which have been posted to guarantee completion thereof. (c) Submit copies of any bonds or escrow agreements which have been posted to assure completion of the roads within the subdivision. (d) If the interior roads are to be maintained by a public authority, submit a copy of a letter from that authority which states that the roads have been, or the conditions upon which they will be, accepted for maintenance and when.</p>

1010.211 UTILITIES	(a) Water. (1) State the estimated cost to the developer of the central water system. (2) If water is to be supplied by a central system, furnish a letter from the supplier that it will supply the water. If the system is operated by a governmental division or by an entity whose operations are regulated by a governmental agency but which is not affiliated with or under the control of the developer, the letter shall include a statement that the supply of water will be sufficient to serve the anticipated population of the subdivision or how many homes or connections it can and will serve and that the water is tested at regular intervals and has been found to meet all standards for a public water supply. (3) If the water is to be supplied by individual wells, by an entity which is not regulated by a governmental agency, by the developer or by an entity which is affiliated with or controlled by the developer, submit a copy of any engineers' reports or hydrological surveys which indicate there is a sufficient supply of water to serve the anticipated population of the subdivision. (4) If the supplier of water is not in one of the categories in paragraph (a)(2) of this section, submit a copy of a letter or report from a cognizant health officer, or from a private laboratory licensed by the state to perform tests and issue reports on water, to the effect that the water was found to meet all drinking water standards required by the state for a public water system. (5) If any bond, escrow agreement or other financial assurance of the completion of the central system, including any phases which are to be constructed in the future, has been posted by the developer or an entity not regulated by a government agency, furnish a copy of the document. (6) Furnish a copy of any permits which have been obtained by the developer or any entity affiliated with or under the control of the developer in connection with the construction and operation of the central system. If a permit is required to install individual wells, submit a letter from the proper authority which states the requirements for obtaining the permit and that there is no objection to the use of individual wells in the subdivision. (7) Furnish a copy of any membership agreement or contract which allows or requires lot owners to use the central water system. If this document is furnished elsewhere in the Statement of Record, reference to it may be made here.
1010.211	(b) Sewer. (1) State the estimated cost to the developer of the central sewer system. (2) If sewage disposal is to be by individual on-site systems, furnish a letter from the local health authorities giving general approval to the use of these systems in the subdivision or giving specific approval for each and every lot. (3) If sewage disposal is to be through a central system which is owned and operated by a governmental division, or by an entity whose operations are regulated by a governmental agency but which is not affiliated with, or under the control of, the developer, furnish a letter from the entity that it will provide this service and that its treatment facilities have the capacity to serve the anticipated population of the subdivision or how many homes or connections it can and will serve. (4) Furnish a copy of any permits obtained by the developer or any entity affiliated with or under the control of the developer, for the construction and operation of the central sewer system or construction and use of any other method of sewage disposal contemplated for the subdivision except those to be obtained by individual lot owners at a later date. (5) If any bond, escrow agreement or other financial assurance of the completion of the central system or other system for which the developer is responsible, and any future expansion, has been posted, furnish a copy of the document. (6) Furnish a copy of any membership agreement or contract which allows, or requires, the lot owners to use the central system. If this document is furnished elsewhere in the Statement of Record, it may be included here by reference.
1010.211	(c) Electricity. Give an estimate of the total construction cost to be expended by the developer and submit any instrument providing financial assurance of completion of the facilities which has been posted by the developer.
1010.211	(d) Telephone. Give an estimate of the total construction cost to be expended by the developer and submit a copy of any instrument providing financial assurance of the completion of the facilities which has been posted by the developer.
1010.212 FINANCIAL	(a) Financing of improvements. Describe the financing plan that is to be used in financing on-site or off-site improvements proposed in the Statement of Record. § 1010.212 Financial information.

1010.212	(b) Complete the following format (If the subdivision or common promotional plan contains, or will contain, 1000 or more lots, furnish this information in its entirety. If the subdivision or common promotional plan contains, or will contain, less than 1,000 lots, only paragraphs (b)(3)(iii) and (iv) of this section need be completed.) (1) Estimated date for full completion of amenities (2) Projected date for complete sell out of subdivision (3) Cost and expense recap for lots included in this Statement of Record: (i) Land acquisition cost or current fair market value of land. (ii) Development and improvement costs (include the estimated cost of such items as roads, utilities, and amenities which the developer will incur). (iii) Estimated marketing and advertising costs. (iv) Estimated sales commission. (v) Interest (include cost in financing the land purchase, improvements, or other borrowings). (vi) Estimated other expenses (include general costs, administrative costs, profit, etc.). (vii) Total. (4) Total land sales revenue: (i) Estimated total land sales income. (ii) Estimated other income. (iii) Total income. Need Radio Buttons and alternate questions Most registrations under 1,000 lots
1010.212	(c) Financial statements. (1) Submit a copy of the developer's financial statements for the last full fiscal year. These statements shall be prepared in accordance with generally accepted accounting principles as prescribed by the Financial Accounting Standards Board and generally accepted auditing standards as prescribed by the American Institute of Certified Public Accountants, and shall be audited by an independent licensed public accountant. They shall include a balance sheet, a statement of profit and loss, a statement of changes in financial condition and a certified opinion by the accountant. The statements shall be no more than six months old on the date the Statement of Record is submitted. (2) If the audited statements are more than six months old at the date of submission of the Statement of Record, or if the last full fiscal year has ended within the last 90 days and audited Statements are not yet available, the developer may submit a copy of the audited statements for the previous full fiscal year and supplement them with unaudited, interim statements so that the financial information is no more than six months old on the date that the Statement of Record is submitted. The interim statements may be prepared by company personnel but must contain a balance sheet, a statement of profit and loss and a statement of changes in financial condition and be prepared in accordance with generally accepted accounting principles.
1010.212	(d) Annual report. (1) Each year after the initial effective date, the developer shall submit a copy of its latest financial statements. These statements must meet the standards set out in § 1010.212(c)(1), unless the developer has qualified for an exception under § 1010.212(e), and must be submitted within 120 days after the close of the developer's fiscal year. (2) If a developer has submitted its latest statements with a consolidated filing since the close of its fiscal year and prior to the end of the 120 day period, a second submission of the statements to comply with this section is not necessary. (3) If the developer no longer has an active sales program on the date this report is due, the information set forth in § 1010.310(c)(7)(iii) may be furnished in lieu of this report. <u>DEVELOPER TO CERTIFY ALL PAST FILINGS COMPLETED (AMENDMENTS AND CONSOLIDATIONS) AND THAT THE DEVELOPER WILL COMPLY. MUST INPUT FISCAL YEAR END SO COMPUTER CAN THEN FLAG ANNUAL REPORT STATUS IN FUTURE YEARS IF DELAYED. IDEALLY, E-MAIL NOTIFICATION OF 30 DAYS TO FILE GOES OUT TO DEVELOPERS ON APRIL 1st EACH YEAR. LIKEWISE AN AUTOMATIC NOTICE OF DELINQUENCY SENT TO DEVELOPERS ON MAY 1st IF DEVELOPER HAS NOT SUBMITTED THE REQUIRED REPORT ON TIME.</u>

1010.212.	<p>(e) Exceptions. (1) If the developer does not have audited financial statements and the criteria in one of the following exceptions are met, statements need not be audited and certified but must meet all of the other requirements set forth in paragraphs (c)(1) and (2) of this section. (2) The term “conveys title free of any mortgage or lien” in these exceptions is not intended to prohibit the taking of an instrument as security for the lot purchase price after title is conveyed. For the purposes of these exceptions, these definitions shall apply: (i) Deed shall mean a warranty deed, or its equivalent, which conveys title free and clear of liens and encumbrances. (ii) Assurance of Title Agreement shall mean a legal arrangement whereby the purchaser is guaranteed a deed upon payment of no more than the full purchase price of the lot (e.g. subdivision trust). In addition to a copy of any Assurance of Title Agreement, the Director may require additional documentation such as an attorney’s opinion letter to assure that the purchaser’s title is fully protected. (iii) Date of contract shall mean the date on which the contract or agreement is signed by the purchaser. (iv) Escrow or trust account as to down payments and deposits shall mean an account, established in accordance with local real estate laws or regulations, which assures the return to the purchaser of any monies paid in the event title is not delivered to the purchaser in accordance with the terms of the contract. (3) The exceptions are: (i) The aggregate sales price of all lots offered pursuant to a common promotional plan equals \$500,000.00 or less; or (ii) Each of the following conditions of paragraphs (e)(3)(ii)(A) and (B) of this section are met, plus the conditions of one of paragraphs (e)(3)(ii)(C), (D), or (E) of this section: (A) Down payments and deposits are held in an escrow or trust account. (B) The contract provides for delivery of a deed which conveys title free of any mortgage or lien within 180 days of the signing of the contract. (In lieu of delivery of a deed, the developer may submit to ILSRP an Assurance of Title Agreement.) (C) The aggregate sales prices of all lots offered pursuant to a common promotional plan is at least \$500,000 but less than \$1,500,000. (D) All facilities, utilities and amenities proposed by the developer in the Property Report or sales contract have been completed so that the lots in the Statement of Record are immediately usable for the purpose for which they are sold. (E) (1) The developer is contractually obligated to the purchaser to complete all facilities, utilities and amenities proposed by the developer in the Property Report and sales contract so that all lots included in the Statement of Record will be usable for the purpose for which they are sold by the dates set out in the Property Report, and; (2) The developer has made financial arrangements, such as the posting of surety bonds (corporate bonds or individual notes or bonds are not acceptable), irrevocable letters of credit or the establishment of escrow or trust accounts, which assure completion of all facilities, utilities and amenities proposed by the developer in the Property Report or contract.</p>
1010.212	<p>(f) Newly-formed entity. If the developer is newly formed or has not had any significant operating experience, an audited or unaudited balance sheet and statements of receipts and disbursements of funds may be submitted.</p>
1010.212	<p>(g) Use of parent company statements.(1) If the developer is a subsidiary company and does not have audited financial statements, the Director may permit the use of the audited and certified statements of the parent company: Provided, That those statements are accompanied by an unconditional guaranty that the parent shall perform and fulfill the obligations of the subsidiary. If this procedure is adopted, the developer shall submit the following: (i) The audited and certified financial statements of the parent company, together with interim statements if necessary, which comply with § 1010.212(c). (ii) A properly executed guaranty in a form acceptable to the Director. (2) In cases described in paragraph (g)(1) of this section, the disclosure information required in § 1010.112 shall be appropriately amended to reference the parent company and not the developer and must include a statement to the effect that the developer’s parent company (insert name) has entered into an unconditional guaranty to perform and fulfill the obligations of the developer.</p>
1010.212	<p>(h) Opinions. If the accountant qualifies or disclaims his opinion, the Director may accept the statements and require such additional disclosure as the Director deems necessary in the public interest or for the protection of purchasers.</p>
1010.212	<p>(i) Copies for prospective purchasers. Copies of the financial statements filed with the Statement of Record shall be made available to prospective purchasers upon request. A supply of the latest submitted statements shall be maintained at whatever place, or places, as is necessary to allow immediate delivery upon request by a prospective purchaser. These statements shall contain financial information only and shall not include any promotional material such as that usually set forth in annual reports.</p>

1010.212	(j) Change from audited to unaudited statements. (1) Developers who file audited statements must continue with audited statements throughout the duration of the registration unless, at a later date, the developer submits amendments which demonstrate to the satisfaction of the Director that it then qualifies for an exception from audited statements under paragraph (e)(3)(ii) of this section. For purposes of paragraph (e)(3)(ii)(C) of this section, the Director will consider the aggregate sales prices of only the lots yet to be sold, and may consider whether any additions to the subdivisions or reacquisitions of lots already sold would be likely to cause the dollar limits to be exceeded. (i) The aggregate sales prices of the lots yet to be sold in the subdivision has been reduced to less than \$1,500,000.00, and that it will not exceed this amount through further additions to the subdivision, or through the reacquisition of lots already sold, and; (ii) The sales contract provides for delivery of a deed within 120 days of the date of the contract which conveys title free and clear of any mortgage or lien or the developer files an Assurance of Title Agreement with ILSRP, and; (iii) Any down payments or deposits are held in an escrow or trust account, or; (iv) The developer then qualifies for exception (e)(3)(iii) or (iv) of this section. (2) The Director may allow a developer, who has made sales prior to registration, to submit unaudited statements under the provisions of paragraph (j)(1)(i) of this section. The developer must demonstrate to the satisfaction of the Director that the acceptance of unaudited statements would not be a detriment to the public interest or to the protection of purchasers.
1010.214 RECREATIONAL	(a) Submit a synopsis of the proposed plans and estimated cost of any proposed or partially constructed recreational facility disclosed in § 1010.114. This item should include the general dimensions and a brief description of the facility but it should not include blueprints or similar technical materials. (b) Submit a copy of any bond or escrow arrangements to assure completion of the recreational facilities disclosed in § 1010.114 which are not structurally complete. (c) Submit a copy of the lease for any leased recreational facility.
1010.215 SUBDIVISION	(a) Submit two copies of a current geological survey topographic map, or maps, of the largest scale available from the U.S. Geological Survey with an outline of the entire subdivision and the area included in this Statement of Record clearly indicated. Photo copies made by the developer are not acceptable. Do not shade the areas on the maps which have been outlined.
1010.215	(b) If drainage facilities are proposed but not yet completed, submit a synopsis of the developer's proposed plans that includes a description of the system of collecting surface waters; a description of the steps to be taken to control erosion and sedimentation and the estimated cost of the drainage facilities.
1010.215	(c) Submit copies of any bonds, escrow or trust accounts or other financial assurance of completion of the drainage facilities.
1010.215	(d) State whether the jurisdiction in which the subdivision is located has a system for rating the land for fire hazards.
1010.216 ADDITIONAL INFORMATION	(a) Property Owners' Association. (1) If the association has been formed as a legal entity, submit a copy of the articles of association, bylaws or similar documents, and a copy of the charter or certificate of incorporation. (2) If the developer exercises any control over the association, state whether any contracts have been executed between the association and the developer or any affiliate or principal of the developer. If there have been, briefly summarize the terms of the contracts, their purpose, their duration and the method and rate of payment required by the contract. State whether the association may modify or terminate the contracts after the owners assume control of the association. (3) State whether there is any agreement which would require the association to reimburse the developer, its affiliates or successors for any attorney's fees or costs arising from an action brought against them by the association or individual property owners regardless of the outcome of the action. (4) If the answer to paragraph (a)(2) or (a)(3) of this section is in the affirmative, disclosure may be required in § 1010.116(a) at the discretion of the Director. (5) Submit a copy of any membership agreement or similar document.

1010.216	(b) Price range, type of sales and marketing. (1) State the price range of lots in the subdivision. (2) State the type of sales to be made, i.e., contract for deed, cash, deed with security instrument, etc. (3) Describe the methods of advertising and marketing to be used for the subdivision. The description should include, but need not be limited to, information on such matters as to: (i) Whether the developer will employ his own sales force or will contract with an outside group; (ii) Whether wide area telephone solicitation will be employed; (iii) Whether presentations will be made away from the immediate vicinity of the subdivision and/or if prospective purchasers will be furnished transportation from distant cities to the subdivision; (iv) Whether mass mailing techniques will be used and gifts offered to those who respond. (4) For any subdivision that meets any of the criteria in paragraphs (b)(4)(i) through (iii) of this section, submit a copy of any advertising or promotional material that is, or has been, used for the subdivision. Amendments to reflect changes in advertising or promotional material need be filed only when there is a material change related to one of the above factors. Depending upon the content of the material submitted, the Director may require additional warnings in the Property Report portion. This requirement applies to any subdivision that: (i) Mentions or refers to recreational facilities which are not disclosed in § 1010.114, or; (ii) Promotes the sale of lots based on the investment potential or expected profits, or; (iii) Contains information which is in conflict with that disclosed in this Statement of Record.
1010.216	(c) Violations and litigation. (1) Submit a copy of the complaint(s), the answer(s) and the decision(s) for any litigation listed in § 1010.116(c). (2) If it is indicated in § 1010.116(c) that the developer or any of the parties involved in the subdivision are, or have been, the subject of any bankruptcy proceedings, furnish a copy of the schedules of liabilities and assets (or a recap of those schedules); the petition number; the date of the filing of the petition; names and addresses of the petitioners, trustee and counsel; the name and location of the court where the proceedings took place and the status or disposition of the petition. Explain, briefly, the cause of the action. (3) Furnish a copy of any orders issued in connection with any violations listed in § 1010.116(c).
1010.216	(d) Resale or exchange program. (1) If it is stated in § 1010.116(d)(3) that there is an exchange program which provides sufficient lots to satisfy all requests for exchange, describe the method used to determine the number of lots required; state whether these lots have been reserved or set aside; whether additional lots will be provided if the lots available for exchange are exhausted and the source of any additional lots.
1010.216	(e) Unusual situations. (1) Foreign subdivisions. If the subdivision is located outside the several States, the District of Columbia, the Commonwealth of Puerto Rico or the territories or possession of the United States, the Statement of Record shall be submitted in the English language and all supporting documents, including copies of any laws which restrict the ownership of land by aliens, shall be submitted in their original language and shall be accompanied by a translation into English.

1010.219 and 1010 Appendix XXVIII	<p>The affirmation set forth in section XXVIII of the appendix to this part: Affirmation of Senior Executive Officer shall be executed by the senior executive officer or a duly authorized agent: Officer—§1010.219 I hereby affirm that I am the Senior Executive Officer of the developer of the lots herein described or will be the Senior Executive Officer of the developer at the time lots are offered for sale or lease to the public, or that I am the agent authorized by the Senior Executive Officer of such developer to complete this statement (if agent, submit written authorization to act as agent); and, That the statements contained in this Statement of Record and any supplement hereto, together with any documents submitted herein, are full, true, complete, and correct; and, That the developer is bound to carry out the promises and obligations set forth in this Statement of Record and Property Report or I have clearly stated who is or will be responsible; and That the fees accompanying this submission are in the amount required by the rules and regulations of the Bureau of Consumer Financial Protection.</p> <p>_____</p> <p>(Date)</p> <p>_____</p> <p>(Signature) (Include Typed Name)</p> <p>(Title) (Corporate seal if applicable)</p> <p>WARNING: 15 U.S.C. 1717 provides: “Any person who willfully violates any of the provisions of this title or of the rules and regulations or any person who willfully, in a Statement of Record filed under, or in a Property Report issued pursuant to this title, makes any untrue statement of a material fact shall upon conviction be fined not more than \$10,000.00 or imprisoned not more than 5 years, or both.”</p> <p><u>Each developer must include an affirmation page with their Statement of Record where they affirm that everything submitted is true, correct and complete within the Statement of Record.</u></p>
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